

TRADE MARKS ACT, 1996

Decision in Hearing

IN THE MATTER OF an application for the revocation of the registration of Trade Mark No. 0790769 and in the matter of the registered Proprietor's opposition thereto.

WESTLAKE CHEMICAL CORPORATION

Applicant for Revocation

ZHONGCE RUBBER GROUP COMPANY LIMITED

Proprietor

The registered trade mark

1. Zhongce Rubber Group Company Limited (hereinafter "the Proprietor") of No. 2 10th Avenue, Hangzhou Economic and Technological Development Zone, Hangzhou, Zhejiang, China is the registered Proprietor of the International Registration  (hereinafter "WESTLAKE"), which is registered under No. 0790769 in respect of "*Inner tubes and tyre covers for various kinds of vehicles; inner tubes and tyre covers for bicycles.*" in Class 12.
2. The application for the International Registration designating Ireland was filed with the World Intellectual Property Organisation (WIPO) on 29 May, 2006. Publication of the registration of the mark appeared in Journal No. 2072 on 16 May, 2007.

The application for revocation

3. On 22 May 2018 Westlake Chemical Corporation of 2801 Post Oak Boulevard, Huston, Texas 77056, USA (hereinafter "the Applicant"), made an application for the revocation of the registration pursuant to the provisions of Section 51 of the Trade Marks Act, 1996 ("the Act"). The Applicant states the application for revocation flows from an application by the Proprietor to cancel the Applicant's European Union Trade Mark Registration No. 012716520 WESTLAKE in stylised form. Enquiries carried out by the Applicant in those proceedings

revealed that the Proprietor's mark WESTLAKE has not been put to genuine use in the State, by or with the consent of the Proprietor, in relation to the goods for which it is registered, and there are no proper reasons for such non-use.

4. The Applicant also grounds its application on the claim that the mark WESTLAKE was not put to genuine use in the State, by or with the consent of the Proprietor, in relation to the goods for which it is registered, for an uninterrupted period of five years up to the date three months before the making of its Application for Revocation, and there are no proper reasons for such non-use. Accordingly, the Applicant requests the International Registration be removed in its entirety from the Register under the provisions of Section 51(1)(a) and/or Section 51(1)(b) of the Act.

Notice of Opposition

5. On 1 March, 2019 the Proprietor filed a Statutory Declaration, dated 15 February 2019, of Mr. Wang Shijun, Deputy Manager of the International Trading Department of the Proprietor, and 8 accompanying exhibits (labelled Exhibit 1 to Exhibit 8) to support its claims to have used the mark in the State, during the relevant periods.
6. Also, on 12 March, 2019 the Proprietor filed a Statutory Declaration, dated 27 February 2019, of Mr. Shane O'Sullivan, Director of COS Wholesale Limited (hereinafter "COS"), of Moyriesk, Quinn, Co. Clare and 9 accompanying exhibits (labelled Exhibit 1 to Exhibit 9) to support the Proprietor's claims to have used the mark in the State, during the relevant periods.
7. For his part Mr. Wang states his Company has been trading continuously since its incorporation on 12 June 1992 and has been engaged in the manufacture, distribution and sale of tyres and parts of tyres under the trade mark WESTLAKE. He attaches at Exhibit 1 printouts from his Company's website confirming the trading activities.
8. Mr. Wang states his company was number 11 in the world rankings for tyre companies in 2011 and attaches at Exhibit 2 a printout from the independent

website RubberNews.com confirming this ranking. He says that since 2012 his Company has been ranked continuously as 10th in the global rankings, being the only Chinese company in the top 10. He attaches at Exhibit 3 a copy of the publication Tire Business confirming his Company's 2017 ranking.

9. Mr. Wang states his Company entered into a commercial relationship in 2015 with COS for the sale of products under the WESTLAKE mark in Ireland. He says the distribution agreement has been in place since 2015 and continues to date. He attaches at Exhibit 4 a copy of the Sales Memorandum for the year 2018.

10. He attaches at Exhibit 5 four invoices (dated 14 October 2015, 2 December 2015, 18 February 2016 and 22 February 2016) in respect of the sale of tyres to COS. The invoices represent total combined sales of 1,940 tyres to COS, with a total invoice value of over US\$120,000.

11. Mr. Wang attaches at Exhibit 6 copies of 16 Bills of Lading issued by Evergreen Line and Multi Container Line, dated between 25 September 2015 and 2 October 2017, in respect of shipments of tyres to COS. He says there have been continuous sales of products in Ireland under the brand WESTLAKE since 2015 and the turnover figures (based on the prevailing US dollar / Euro exchange rates) for these sales are as follows:

2015	€53,042
2016	€516,531
2017	€852,702
2018	€975,468

12. He states his Company actively promotes the trade mark WESTLAKE and adduces at Exhibit 7 a copy of the WESTLAKE tyre catalogue for 2018. At Exhibit 8 Mr. Wang attaches a copy of a tyre label used on his Company's products to comply with EU standards and which is placed on tyres sold in Ireland.

13. Mr. Wang concludes his evidence by stating that, based on the information provided, the WESTLAKE mark is actively used in Ireland, by his Company's

authorised distributor, COS Wholesale Limited since 2015 and there has been continuous use of the trade mark up to the date of execution of his Statutory Declaration.

14. For his part Shane O'Sullivan stated his Company (COS Wholesale Limited) was established on 23 March 2015 and has been trading since then. He attaches at Exhibit 1 a copy of the Certificate of Incorporation for his Company, together with a third-party company report confirming the ongoing trading activities of his Company. He states his Company also trades under the business name WESTLAKE TYRES LIMITED.

15. Mr. O'Sullivan attaches at Exhibit 2 a copy of the Sales Memorandum his company agreed with the Proprietor for 2018. He says a similar Memorandum was executed for previous years.

16. He states his Company has sold products under the trade mark WESTLAKE to haulage drivers, truck companies and tyre centres all over Ireland since 2015 and continues to do so. He says annual turnover, rounded off, for these sales was as follows:

2015	€20,000
2016	€150,000
2017	€300,000
2018	€500,000

17. Mr. O'Sullivan attaches at Exhibit 3 samples of invoices issued in respect of the sale of WESTLAKE branded products in 2015 and 2016 to customers in Ireland (8 invoices) and also the export of WESTLAKE products to Northern Ireland (3 invoices).

18. He attaches at Exhibit 4 and Exhibit 5 samples of invoices, issued in 2017 and 2018 respectively, in respect of the sale of WESTLAKE branded products to customers in Ireland (19 invoices) and also the export of WESTLAKE products to Northern Ireland (2 invoices). The Irish invoices are addressed to customers in all four provinces.

19. Mr. O’Sullivan states his Company actively promotes the WESTLAKE brand in Ireland and has incurred significant expenses in doing so. He attaches at Exhibit 6 nine invoices issued by marketing, publishing and printing companies, made out in the name of his Company, for the promotion of WESTLAKE goods in Ireland. These invoices are dated between July 2016 and March 2018. While one is in respect of the production of business cards bearing the name WESTLAKE tyres and another is in respect of domain name renewal fees and hosting services for WESTLAKE websites, none of the others show the actual advertisements or end products mentioned in the invoices.
20. He attaches at Exhibit 7 copies of the front page of tyre catalogues for 2016, 2017 and 2018, with the ones from 2017 and 2018 showing the registered trade mark WESTLAKE.
21. Mr. O’Sullivan states the trade mark WESTLAKE is known and has made an impact within the Irish market. He attaches at Exhibit 8 an article published in the Irish Trucker and Light Commercials magazine in 2018 which confirms the sale of products under the trade mark WESTLAKE in Ireland and the success of such sales. The exhibit does not contain any publication date, but it refers to Westlake Tyres Ireland being the official distributor of WESTLAKE tyres in Ireland since 2015 and having sold WESTLAKE tyres since then.
22. The last piece of evidence adduced by Mr. O’Sullivan relates to his Company (under its trading name Westlake Tyres Ireland) being a member of Repak, for the recycling and disposal of tyres and associated products. He attaches at Exhibit 9 invoices in respect of his Company’s membership of the Repak scheme.

The law

22. The relevant provisions are in Section 51 of the Act, and are written in the following terms:

“(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 publication of the registration, the trade mark has not been put to genuine use in the State, by or with the consent of the proprietor, 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;

(2) ...

(3) The registration of a trade mark shall not be revoked on the ground mentioned in paragraph (a) or (b) of subsection (1) 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; but, for this purpose, any such commencement or resumption of use occurring after the expiry of the five year period and 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) ...

(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 Controller or the Court is satisfied that the grounds for revocation existed at an earlier date, that date.

Decision

23. It is clear from the evidence that while the mark was registered as of 29 May 2006, no use was made of it in Ireland before 2015. Should the application for revocation have been made prior to 2015, it may have been successful. However, the application for revocation was not made until May 2018, which brings the provisions of Section 51(3) into play.

24. The publication of the registration of this trade mark occurred on 16 May, 2007. The application for revocation was made on 22 May, 2018. Taking the provisions of Section 51(3) into account the “relevant period” is the five-year period immediately preceding the date of application for revocation, with the three months between 23 February and 22 May 2018 being disregarded. The questions to be decided are (i) was the mark put to use in the State by the Proprietor or with its consent between 23 May 2013 and 22 February 2018? (ii) if

so, was it used in respect of all the goods for which it is registered? and (iii) if it was used for some or all of the goods, was it genuine use?

25. I am satisfied the evidence shows that vehicle tyres bearing the trade mark WESTLAKE were sold to consumers in Ireland within the relevant period. Sales took place without interruption in each of 2015, 2016, 2017 and 2018. Adequate proof by way of sales invoices, turnover figures, advertising and promotion expenditure was furnished to demonstrate this. So, the first question has been answered in the affirmative.

26. Turning to the second question. The mark is registered in respect of two distinct kinds of goods in Class 12, namely, "*inner tubes and tyre covers for various kinds of vehicles*" and "*inner tubes and tyre covers for bicycles*". It could be argued that the latter is a subset of the former and therefore that once use was shown for the former, it should be deemed to show use for the latter. However, the Proprietor in making its application for registration and in listing the goods to be covered by its application in the manner it did, deliberately intended to distinguish one from the other. Accordingly, I must determine whether there was use in none, one or both categories of goods for which the mark is registered.

27. I have already found the mark at issue was used during the relevant period in respect of tyres for various kinds of vehicles. However, no evidence whatsoever was adduced to prove or even suggest the mark was used in relation to "*inner tubes and tyre covers for bicycles*". Accordingly, under Section 51(5) I must revoke the registration in respect of those goods, the effective date of the partial revocation to be the date the Applicant made its application, namely, 22 May 2018.

28. Turning now to the final question of whether the use shown constitutes "genuine use". The Act does not define the term words "genuine use" of a trade mark for the purposes of Section 51 but the words have been considered by the Court of Justice of the European Union (CJEU) in *ANSUL*¹, wherein the Court stated that:

¹ *Ansul BV v. Ajax Brandbeveiliging BV* (Case No. C-40/01)

“... there is 'genuine use' of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is 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, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark.”

29. There are ample other judgments emanating from the CJEU to assist me in answering this question. The CJEU has set out what is required in order to establish genuine use of a trade mark insofar as revocation proceedings are concerned. These include *Ansul*², *La Mer*³, *Silberquelle*⁴ and *Sunrider*⁵ in which the following factors were identified as the criteria to be assessed by competent authorities:

- i. Genuine use means actual use of the mark by the proprietor or third party with authority to use the mark. (*Ansul* at paragraph 35)
- ii. The use must be more than merely token; which means in this context that it must not serve solely to preserve the rights conferred by the registration. (*Ansul* at paragraph 36)
- iii. 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, without any possibility of confusion, to distinguish the goods or services from others which have another origin. (*Ansul* at paragraph 36; *Sunrider* at paragraph 70; *Silberquelle* at paragraph 17)

² *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439

³ *La Mer Technology Inc v Laboratoires Goemar SA* (C-259/02) [2004] E.C.R. I-1159

⁴ *Silberquelle GmbH v Maselli-Strickmode GmbH* (C-495/07) [2009] E.C.R. I-2759

⁵ *Sunrider v Office for Harmonisation in the Internal Market* (C-416/04 P) [2006] E.C.R. I-4237

- iv. The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market. (Ansul at paragraphs 37-38; Silberquelle at paragraph 18)
- v. Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating 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. (Ansul at paragraph 39; La Mer at paragraphs 18 and 24-25; Sunrider at paragraph 72)
- vi. All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide. (Ansul at paragraphs 38-39; La Mer at paragraphs 22-23; Sunrider at paragraphs 70-71)

30. It is clear from the foregoing that “genuine use” may be equated with actual use, provided that such use has been more than mere token use and that the use in question has brought the mark to the notice of the relevant class of consumers of the goods for which it is registered. It is not necessary for the purpose of proving genuine use of a mark to establish that the use in question has been continuous or extensive or that it has resulted in the mark becoming well-known to the relevant consumers. It is sufficient to show that the mark has been used as a trade mark for the goods within the relevant period and that it has, as a result, come to the notice of consumers of those goods.

31. I am satisfied the evidence of use submitted in support of maintaining the registration is sufficient to allow me to tick all the boxes identified by the Court. I am satisfied the use made of the mark is consistent with the essential function of a trade mark and has guaranteed the identity of the origin of the goods as being the Proprietor. Accordingly, it has performed the essential function of a trade

mark by serving to distinguish the Proprietor's goods from others which have a different origin.

32. The evidence shows the mark was put to use in the State by COS with the authority of the Proprietor and that its use has created and maintained a share in the market for "*inner tubes and tyre covers for various kinds of vehicles*". The growing volume of sales points to Irish consumers becoming increasingly aware of WESTLAKE branded tyres. Therefore, I am satisfied the mark has been put to genuine use in the State in respect of these goods. Accordingly, I have decided to reject the application for revocation and to allow the registration to remain on the Register in respect of these goods.

Dermot Doyle

Acting for the Controller

7 June, 2019