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# GC clarifies what constitutes genuine use in the European Union

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In this judgment, the General Court (GC) confirmed that ads and offers for sale can successfully be used to prove use of an EU trademark (EUTM) in relation to, among other things, hotel services. According to the GC, advertising and promotional activities, within the European Union, under a trademark relating to a hotel and hotel services provided in New York, constitute acts of use within the European Union and genuine use of the EUTM in relation to hotel services and ancillary services.

## Facts

Standard International Management LLC (Standard Hotel) owns several boutique hotels, including the well-known hotel The Standard in New York. In 2009, Standard Hotel filed an application for registration of the EUTM shown in Figure 1 for, among other things, hotel services in class 43.



Figure 1: Standard Hotel's trademark

The EUTM was registered in 2011. In 2018, Asia Standard Management Services Ltd filed an application for revocation of the EUTM registration, claiming that the trademark had not been put to genuine use in the European Union. In 2020, the Cancellation Division revoked the trademark in its entirety. Standard Hotel appealed the decision to the Board of Appeal (BoA).

## BoA

The BoA upheld the decision of the Cancellation Division and dismissed the appeal. In its decision, the BoA held that, with regard to the place of use of the mark, the evidence of use concerned hotel services provided in the United States. In particular, the BoA found that the relevant evidence was insufficient, taking into account the place of provision of the hotel and hotel services, which was outside the European Union, irrespective of the fact that the ads and offers for sale of those services were targeted at consumers in the European Union.

Standard Hotel filed a claim for annulment of the decision of the BoA before the GC. In support of its action, Standard Hotel claimed that the BoA had erred in finding that the ads and offers for sale, targeted at consumers within the European Union, of hotel and ancillary services in the United States, did not constitute relevant evidence to demonstrate use of the trademark within the European Union.

## GC

The GC annulled the decision of the BoA. The GC held that the BoA had erred in finding that the trademark had not been put into genuine use in the European Union because the hotel and hotel services were provided in the United States. The BoA had failed to distinguish between the place of provision of services and the place of use of the trademark. Only the latter is relevant to the examination of whether a trademark has been put to genuine use within the European Union.

According to the GC, there is genuine use of a trademark when the trademark is used in accordance with its essential function (ie, to guarantee the identity of the origin of the goods and services for which it has been registered), or to create or preserve an outlet for those goods or services. Even when the goods or services are provided outside the European Union, the holder can make use of the trademark, through advertising, within the European Union, to create or preserve an outlet for those goods and services among consumers within the European Union.

In the judgment, the GC confirmed that the acts of advertising and marketing provided by Standard Hotel within the European Union were part of acts of use of a trademark and that the trademark had therefore been put into genuine use within the European Union. In the decision, the GC referred to the fact that, in infringement actions, a trademark holder can prohibit a third party from using a trademark in advertising to offer goods or services for sale. Therefore, as such acts can constitute infringing use of an EUTM, they should also constitute use for the purposes of establishing genuine use.

The GC further commented that this conclusion was supported by the EU Intellectual Property Office's examination guidelines, which provide that "where the goods or services are available abroad, such as holiday accommodation or particular products, advertising alone may be sufficient to amount to genuine use".



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## Comment

The judgment highlights the importance of distinguishing between the place of provision of services and the place of use of the trademark. As for hotel and hotel services, advertisement of those services may naturally be aimed at consumers outside the country where the hotel is located. The decision makes clear that advertising and offers for sale within the European Union, in relation to such services provided outside the European Union, should still constitute genuine use of an EUTM in relation to the services provided outside of the European Union.

The decision provides comfort for holders of trademarks in relation to hotels, and probably also other establishments (eg, amusement parks and museums), that operate outside the European Union but that have a significant number of consumers within the European Union. Even mere EU-targeted advertising and promotions should be sufficient for the holders to maintain an EUTM registration in relation to the actual services (provided outside the European Union). This makes it possible to bar third parties from setting up similar establishments under similar trademarks within the European Union.

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