

DECISION
of the Fourth Board of Appeal
of 24 August 2020

In Case R 2982/2019-4

Sven Butzkies-Schiemann

Fritz-Reuter-Straße 15
24782 Büdelsdorf
Germany

EUTM Proprietor / Appellant

represented by HANSEPATENT Patentanwälte Andresen Scholz PartG mbB,
Poststraße 33, 20354 Hamburg, Germany

v

U.S. Corrosion Technologies, LLC doing business as Corrosion Technologies

2638 National Drive
Garland
Texas
United States of America

Cancellation Applicant / Defendant

represented by MEISSNER BOLTE Patentanwälte Rechtsanwälte Partnerschaft mbB,
Widenmayerstraße 47, 80538 München, Germany

APPEAL relating to Cancellation Proceedings No 23 466 C (European Union trade
mark registration No 14 304 349)

THE FOURTH BOARD OF APPEAL

composed of D. Schennen (Chairman and Rapporteur), E. Fink (Member) and
L. Marijnissen (Member)

Registrar: H. Dijkema

gives the following

Decision

Summary of the facts

- 1 European Union trade mark No 14 304 349 for the word mark

CorrosionX

was filed on 27/06/2015 and registered on 22/10/2015 in the name of Sven Butzkies-Schiemann (hereinafter: Butzkies, or EUTM proprietor) for the goods and services:

Class 1 – Separating substances; chemicals for use in the refining of oils; chemicals for use in the electrical industry; chemical products derived from petroleum; chemicals used in science; chemicals for use in the electronics industry; chemicals for use in the precision machinery industry; chemicals for use in the gas industry; chemicals for use in agriculture; chemicals for use in manufacture; chemicals for use in the oil industry; chemicals for use in metal treatment; chemicals for use in the filling of aerosols; chemicals for use in industry and science; metal-working agents having cooling properties; chemicals for use in treating metal surfaces; compositions for use in metal finishing; industrial chemicals for use in treating cooling water in recirculating cooling systems.

Class 2 – Preparations for preserving metal against rust.

Class 4 – Automotive engine oils.

- 2 On 16/06/2018, US Corrosion Technologies LLC doing business as Corrosion Technologies (hereinafter: US Corrosion, or cancellation applicant) filed an application for declaration of invalidity against the EUTM, namely against all goods and services.
- 3 The application consisted of an official form, in which some of the below grounds were ticked, and a reasoned statement, in which the following grounds were invoked and requests made:
 - (a) that the EUTM be assigned to US Corrosion, pursuant to Article 60(1)(b) and 8(3) EUTMR and Article 20(1) EUTMDR and Article 21 EUTMDR;
 - (b) as an auxiliary request, as alternative to (a): to declare the EUTM invalid for all the goods pursuant to Article 60(1)(b) and 8(3) EUTMR;
 - (c) as an auxiliary alternative to (a) and (b): to schedule a date for an oral hearing;
 - (d) to order the EUTM proprietor to bear the costs;
 - (e) as a further alternative measure (not specified as to which of the above it being alternative); to declare the EUTM invalid on the grounds of bad faith.
- 4 In the reasoned statement accompanying the application form it was argued and set forth:
 - The cancellation applicant makes a rust preventative product called ‘CorrosionX’ (Annex MB 1). They acquired ‘US Corrosion’ and the

‘CorrosionX’ trade mark in 2011 from a previous owner (name not specified).

- US Corrosion is the owner of the US trade mark registration No 4 267 830 ‘CORROSIONX’ filed on 3/05/2012 for which the register excerpt mentions a date of ‘first use in commerce’ of 15/09/1992.
- US Corrosion has European distributors, a list of whom is attached, which mentions for Germany the company CC Corrosion Control GmbH represented by Niels Körte and to whom authorisation was given in 2017 (Annex MB 4).
- To prove that US Corrosion has a distributor relationship in Germany with Butzkies, doing business under the firm Scandex AG, several e-mails from 2014, as well as Annex MB 5 is submitted:

September 9, 2006

Sven Butzkies-Schiemann
Scandex AG
Department BSH
Memellandstrasse 2
24537 Neumünster – Germany

Dear Sven:

This is to confirm that Scandex AG is authorized by Corrosion Technologies Corporation to export our products subject to conformance with the export regulations of the Federal Republic of Germany.

Best Regards,

Michael L. Tuite, President

- E-mail correspondence between Butzkies and Fred Kenner from US Corrosion from September 2015 (obs: after the filing date) is submitted as Annex MB 6;
 - US Corrosion discovered that Butzkies had filed, on 11/06/2004, a German trade mark No 304 33 647 ‘CorrosionX’ (figurative), which expired in 2014 (database excerpt from the German Office: Annex MB 7);
 - This would establish an agent-representative relationship in the sense of Article 8(3) EUTMR;
 - This would also establish the ground for declaration of invalidity laid down in Article 59(1)(b) EUTMR, bad faith.
- 5 On 10/09/2018, Butzkies filed observations in German. US Corrosion pleaded that they should not be taken into account, being in an inadmissible language, but commented on their content. On 19/03/2019, Butzkies asked to take these observations into account. The Cancellation Decision informed Butzkies that they would not be taken into account.
- 6 Already on 04/03/2019, the Cancellation Decision informed the parties that it would now give a ruling on the application.
- 7 On 26/10/2019, through professional representatives and in the language of the proceedings, Butzkies requested to dismiss the application. It was submitted that Butzkies had misunderstood the language rules and assumed that he could use the

first language of the EUTM application, and that there was never any agent-representative relation, and US Corrosion was reminded of its burden of proof.

8 On 28/10/2019, the Cancellation Division decided:

1. The application for a declaration of invalidity is upheld.
2. European Union trade mark No 14 304 349 is assigned to the applicant pursuant to Article 21(2)(a) EUTMR concerning the following goods:

Class 1: Chemicals for use in metal treatment; chemicals for use in treating metal surfaces; compositions for use in metal finishing.

Class 2: all the goods in this Class.

3. European Union trade mark No 14 304 349 is declared invalid in relation to the following goods:

Class 1: Separating substances; chemicals for use in the refining of oils; chemicals for use in the electrical industry; chemical products derived from petroleum; chemicals used in science; chemicals for use in the electronics industry; chemicals for use in the precision machinery industry; chemicals for use in the gas industry; chemicals for use in agriculture; chemicals for use in manufacture; chemicals for use in the oil industry; chemicals for use in the filling of aerosols; chemicals for use in industry and science; metalworking agents having cooling properties; industrial chemicals for use in treating cooling water in recirculating cooling systems.

Class 4: All the goods in this Class.

4. The EUTM proprietor bears the costs, fixed at EUR 1 080.

9 The Cancellation Division reasoned:

On the alternative request to hold an oral hearing: Such would not be expedient, and the request is rejected.

On assignment of the EUTM:

- US Corrosion owns a US trade mark registration which is earlier (2012) than the contested EUTM (filed 27/06/2015).
- The goods mentioned in point 2 of the order of the contested decision are identical or closely related or economically equivalent to those of the earlier mark ‘rust preventatives in the nature of a coating’.
- An agent-representative relationship is established through Annex MB 5. It transpires from the non-translatable part of Butzkies’s submissions that he is indeed the CEO of Scandex AG. This is further borne out by the string of e-mail correspondence.
- It is extensively rolled out why correspondence filed by Butzkies regarding a license agreement with a Russian firm as of 2018 does not constitute consent by US Corrosion to Butzkies to file the mark.
- The observations from Butzkies cannot be taken into account, as they were in German, and hence cannot shed light on any reasonable justification for having filed the mark.

- Consequently the EUTM is assigned for the closely related or economically equivalent goods. Assignment can only be requested ‘instead’ of a declaration of invalidity. The applicant’s request to invalidate the EUTM on the grounds of Article 60(1)(b) and Article 8(3) EUTM is inadmissible.

On bad faith:

- For the remaining goods Article 59(1)(b) EUTMR, bad faith, is examined, and held well-founded on the same grounds as above, plus on the ground that Butzkies breached the duty of fair play by filing the mark and, later, invoking the mark against distributors of US Corrosion in Australia and elsewhere.
- 10 On 27/12/2019, the EUTM proprietor filed a notice of appeal against this decision, followed by a statement of grounds of appeal on 26/02/2020. The EUTM proprietor pleaded that the contested decision was based on a substantive procedural violation and also substantively incorrect, and requested (a) to annul the contested decision, (b) to remit the case back to the Cancellation Division and to reimburse the appeal fee; (c) as an auxiliary request, to reject the claim for assignment of the EUTM as well as to reject the request to declare the EUTM invalid, for the respective goods; (d) to order the defendant to bear the costs, and (e) as a further auxiliary request, to schedule an oral hearing.
- 11 The appellant repeated the submissions of 26/10/2019 and argued:
- a. The submissions of 26/10/2019 (in English) were not taken into account in the contested decision; they should have, and that constituted a procedural violation;
 - b. The appellant has the better priority, its German mark No 304 33 647 is 8 years older than the defendant’s US trade mark, and has only not been renewed because the appellant chose to extend the protection to the whole EU; Scandex AG used that German mark as of 2001 for its own rust prevention products, and only occasionally and on a limited basis complemented its product portfolio with products from the appellant, namely in December 2011 and February 2014;
 - c. Between the parties there have not been any joint marketing activities, sales meetings, sales objectives, or advertising cost subventions;
 - d. The appellant can justify the filing of the EUTM.
- 12 The defendant requested (a) to dismiss the appeal, (b) to award costs, and (c) as an auxiliary alternative to (a), to schedule an oral hearing.
- 13 The defendant argued: The Cancellation Division was right to find that there was an agent-representative relationship. Any procedural violation by the Cancellation Division would not alter the outcome. Such violation moreover did not exist: The communication, in English, dated 26/10/2019 was late as the Cancellation Division had already closed the written proceedings. It should continue to be rejected as late. What is more, the evidence attached to the statement of grounds of appeal should also be rejected as late, in particular Annex HP 3. The appellant failed to justify the filing of the EUTM as its observations were not in the language of the

proceedings. The argument that the EUTM was a ‘continuation’ of a previous German trade mark was legally wrong. On the other hand, the defendant pleads a priority of first use in commerce in the US as of 1992. For the remainder, the defendant refutes the arguments presented in the statement of grounds. In support of an agent-presentative relationship, further evidence is filed, namely an affidavit of the CEO of US Corrosion and more e-mails.

Reasons

Admissibility of the appeal

- 14 The appeal is admissible. It was filed in due time and a statement of grounds of appeal was also filed in due time, in which the appellant indicated why, in his view, the contested decision was wrong.
- 15 The appellant seeks the annulment of the contested decision in its entirety. It is exclusively within the discretion of the Board which of the two options provided for in Article 71(1) EUTMR to adopt in case it finds that the contested decision must be annulled.

Admissibility of the cancellation request

- 16 Upon the admissible appeal from the EUTM proprietor, the Board now has to undertake a full review of the merits of the cancellation request (14/12/2011, T-504/09, Vökl, EU:T:2011:739, § 54, 55; 14/02/2019, T-796/17, Mouldpro, EU:T:2019:88, § 27), that is, whether the cancellation request was admissible and well founded for the reasons set out in the contested decision or if not, whether it is admissible and well founded on the basis of any other of the grounds and bases invoked, unless those were waived in the course of the proceedings.
- 17 Article 95(1) EUTMR provides that for relative grounds for declaration of invalidity, the examination shall be restricted to the facts, evidence and relief sought by the parties. Because of the adversarial nature of the cancellation proceedings, the Office is not meant to make own investigations with a view to obtain evidence that could lead to the cancellation of the EUTM. Rather the Office will limit itself to the examination of the evidence brought forward by both parties. Already in respect of the version of the EUTMR in force prior to 2016, the case-law held that the ex-officio examination to be carried out by the Board is restricted to the specific facts invoked by the parties which would call the validity of the mark into question, which, otherwise, remains to be presumed (13/09/2013, T-320/10, Castel, EU:T:2013:424, § 28; 08/05/2019, T-324/18, Bottiglia dorata, EU:T:2019:297, § 26). For the present cancellation proceedings, Article 95(1), 3rd sentence, EUTMR, applies in its amended version, in force as of 23/03/2016, which expressly provides that also in cancellation proceedings under Article 59 EUTMR, i.e. in respect of absolute grounds for declaration of invalidity, the Office shall limit its examination to the grounds and arguments submitted by the

parties, and so merely lays down what already corresponded to established case-law and practice.

Request for assignment

- 18 The scope of the cancellation procedure must remain strictly limited to the grounds for cancellation invoked in the cancellation request (08/05/2017, R 879/2016-4, Device of a snowman, § 15, 16; 16/10/2017, R 2153/2015-4, MOULDPRO, § 16; 14/02/2019, T-796/17, Mouldpro, EU:T:2019:88, § 46). The same applies to the facts and arguments invoked.
- 19 The grounds invoked in the request, and the relief sought, do not appear from the official form which was part of the cancellation request. There one only finds some basic data such as names of the parties. The grounds for cancellation and the requests made appear in the written statement of grounds for cancellation accompanying the official form.
- 20 The principal request made and relief sought is that the EUTM be assigned to the cancellation applicant. That request is admissible.
- 21 The correct legal basis is Article 21 EUTMR in conjunction with Article 20 EUTMDR. Article 21 has been amended by Regulation No 2015/2424 with effect of 1/10/2017. Previously, the Article provided that where the EUTM is registered in the name of an agent or representative of the trade mark proprietor without the latter's consent, the trade mark proprietor can demand the assignment of the EUTM, but no provision was made as to where and in which proceedings, so national courts were competent. Now, for this, there is an exclusive competence of the Office or, based on a counterclaim in infringement proceedings, the European Trade Mark Courts.
- 22 This is a sui generis relief for which only the procedural framework is the one of a cancellation request, which follows the normal rules of cancellation proceedings. However, and that is most relevant for the requests made here, Article 21(2)(b) EUTMR provides that such a request may be made instead of an application for declaration of invalidity.
- 23 That means that such a request for assignment may not be combined with a request for declaration of invalidity in the same cancellation request, regardless how the requests are framed and regardless whether the other claims are made on a cumulative or auxiliary (alternative) basis. The implications of this will be examined upon examination of the alternative (auxiliary) requests for cancellation.

Agent-principal relationship

- 24 The conditions laid down in Article 21 EUTMR are the same as those for refusal under Article 8(3) EUTMR, only the legal sanction is different. Notably, the provision requires that the contested EUTM was filed by a person who is the agent or

representative of another person who already is the proprietor of that trade mark (the 'true' proprietor of the trade mark or the principal), provided that the filing was made without the authorization of the principal and that the agent does not justify his action.

- 25 The burden of proof to establish the facts on which the declaration of invalidity is sought to be based lies on the cancellation applicant (13/04/2011, T-262/09, First Defense Aerosol Pepper Projector, EU:T:2011:171, § 67; 14/02/2019, T-796/17, Mouldpro, EU:T:2019:88, § 30; 09/07/2014, T-184/12, Heatstrip, EU:T:2014:621, § 57).
- 26 The cancellation applicant failed to do this before the Cancellation Division. The Cancellation Division misinterpreted the evidence filed and based itself on speculation.
- 27 US Corrosion is a company located in the US and the mark relied on to sustain that it is the 'true' proprietor of the contested mark is a US trade mark registration (No 4 267 830 with a filing date of 03/05/2012).
- 28 In such a situation an agent-principal relationship within the meaning of Article 21 (or Article 8(3)) EUTMR would require that the appellant has a contractual relationship with US Corrosion by virtue of which it was entrusted by US Corrosion to sell products branded with the contested mark in the EU, more specifically, as argued by US Corrosion, in Germany.
- 29 There is no such contract on file, and there is no mention of the existence of such contract on file.
- 30 There is no evidence to show that Butzkies (or for that matter, the company the CEO of which he is, Scandex AG) was actually involved in the distribution network of US Corrosion for products under the mark 'Corrosion X' or otherwise in any way.
- 31 US Corrosion has filed a list (Annex MB 3) taken from an unknown source, with a banner on top 'CT Corrosion Technologies' and headlined 'International Distributors', which mentions as distributor for Germany 'CC Corrosion Control GmbH' and the name of Niels Körte. Annex MB 4 is a letter from US Corrosion to CC Corrosion Control, Niels Körte, dated 01/10/2017 (which is two years after the filing date of the contested EUTM) in which CC Corrosion Control GmbH 'is granted the right to use the trade mark' in various European countries including Germany.
- 32 It cannot be seen why this document should be relevant at all for the question as to which relationship existed prior to 2015 with Butzkies and/or Scandex AG. Any relationship US Corrosion may have had with Niels Körte (and/or his company) is totally irrelevant. To the contrary, Annex MB 3 could eventually only show that Butzkies (or Scandex AG) was not the distributor of US Corrosion. And who the distributor was for US Corrosion in Europe two years after the filing date of the contested EUTM is irrelevant time-wise.

- 33 Annex MB 3 is inconclusive for several other reasons. There is a small printed date '2001-2018' at the bottom but it is not clear what this refers to, probably it means that it is a list that was last updated in 2018. The header does not show 'US Corrosion' but 'CT Corrosion Technologies'; who that is was not even explained either. In the left-hand column a number of products are listed, almost illegible. From this document a specific relationship to a product called 'Corrosion X' cannot be inferred either.
- 34 Annex MB 5 (reproduced in paragraph 4 above) has no header, is not signed, speaks about authorization 'by Corrosion Technologies Corporation', which is not the cancellation applicant, and speaks about export of products, apparently from (not to) Germany in compliance with German law. This document is totally inconclusive and has no evidential value already in the absence of any letterhead and signature.
- 35 For the remainder the evidence is limited to several e-mails. It suffices to say that nowhere in these e-mails there is a reference to a distribution agreement between the parties or to proposals for concluding such. It is not even possible to derive from these e-mails whether or not products called 'Corrosion X' were actually ordered by Butzkies (or Scandex AG). It is impossible to determine to which type of transactions and to which products the e-mails actually refer.
- 36 Everybody who has an e-mail account knows that several years later it is impossible to put an individual e-mail into the context of the situation at that time. Often the communication is cryptic and refers to other communications, which are not attached or mentioned. To understand such type of e-mail the whole series of communication would have to be provided, which is often impossible. The danger of interpreting such an e-mail out of the context in which it was written and intended is high.
- 37 It suffices to say that none of the submitted e-mails unambiguously shows that Butzkies (or Scandex AG) ordered 'Corrosion X' products from US Corrosion on a regular basis, let alone that there was a specific organized business relationship between both.
- 38 What is more, in the situation of an US company relying on an US mark in the context of Article 21 EUTMR, it must be shown not only that the parties 'knew' each other, but also that the US company used the mark on the goods in issue and that the company who is accused to be its agent actually distributed those goods under that mark on the European market.
- 39 Also from this perspective the defendant's claim fails. There is no evidence of use of the mark by the appellant on the German (or elsewhere European) market, and there is even no evidence of use by US Corrosion in the US at all. For example, such use cannot be seen from Annex MB 3, and Annex MB 10 cannot be related to any of the parties.

- 40 This cannot be made good by referring to a ‘first use in commerce’ date mentioned in the registration of the US mark. This is not more than a claim and a requirement under US national law.
- 41 To the contrary, the appellant held a German trade mark ‘Corrosion X’ since 2004, which was never challenged by US Corrosion. It was only in 2012 that US Corrosion proceeded to the filing of a trade mark in the US and it never filed a trade mark in Europe. Whether or not it ‘discovered’ this German mark only lately and whether or not the contested EUTM can be seen as a ‘continuation’ of the expired German trade mark (see in that respect Article 39 EUTMR) is irrelevant. At least it can be said that re-filing a trade mark that hitherto was not challenged by third parties is justified to secure one’s own trade mark portfolio. This applies independently of the consideration that for the determination as to whether US Corrosion holds an earlier US mark the filing date of the US mark only has to be compared with the filing date of the contested EUTM.
- 42 Article 8(3) EUTMR is designed to prevent the misuse of a mark by the trade mark proprietor’s agent, as the agent may exploit the knowledge and experience acquired during its business relationship with the proprietor and therefore improperly benefit from the effort and investment which the trade mark proprietor himself made (06/09/2006, T-6/05, First Defense Aerosol Pepper Projector, EU:T:2006:241, § 38; 29/11/2012, T-538/10, Fagumit, EU:T:2012:2952, § 22; 14/02/2019, T-796/17, Mouldpro, EU:T:2019:88, § 24). Although it is correct to say that the terms ‘agent’ and ‘representative’ referred to in Article 8(3) must be interpreted broadly, it is apparent from the case-law cited in paragraphs 22 and 23 above that there must be an agreement of commercial cooperation between the parties of a kind that gives rise to a fiduciary relationship by imposing on the trade mark applicant – whether expressly or implicitly – a general duty of trust and loyalty as regards the interests of the trade mark proprietor (Mouldpro, § 33). Evidence must establish that the relationship between the parties exceeded a mere purchaser-seller relationship which came into being without prior agreement or that there was an agreement of commercial cooperation establishing a fiduciary relationship between the parties and accordingly a duty of loyalty (Mouldpro, § 33).
- 43 The assessment of the evidence filed before the Cancellation Division reveals that these conditions are not met and this cannot be substituted by suppositions or speculations.
- 44 The EUTM proprietor filed observations first in German, which were not taken into account because they were not in the language of the proceedings, correctly so, and then, after expiry of the time limit set to file observations, and two days before the contested decision was issued, he filed observations, in English, but which were not taken into consideration either. It is exactly because after the time-limit to file observations the Office must be in a position to take the decision and therefore the observations of 26/10/2019 did not have to be taken into account. Moreover such late communication arriving at the Office only two days before the decision is taken cannot physically be processed and that it was not even mentioned in the decision only shows that the communication had not been

brought to the attention of the Cancellation Division. Anyhow, it did not have to be mentioned in the contested decision at all. However, these observations of 26/10/2019 only mentioned what the EUTM proprietor now submits in his statement of grounds, and it did not contain any relevant evidence. Be it as it may, the EUTM proprietor referred to the absence of any 'organised' cooperation with the defendant, which would include joint marketing activities, sales objectives or other point activities. The only relevant point here is that it is precisely the burden of the cancellation applicant to furnish evidence in that direction and the EUTM proprietor may deny this at any time. There is no issue at all about late evidence here. The EUTM proprietor did not file any evidence before the Cancellation Division other than evidence that merely confirmed the evidence filed by the cancellation applicant, namely regarding the register status of the US mark and the one for the (expired) German mark. These facts had already been proven by the cancellation applicant itself and have simply become uncontested by the statement of grounds.

- 45 Again, to be very clear on this point, there is no issue at all regarding late evidence on the part of the EUTM proprietor.
- 46 However, there is an issue regarding late evidence in respect of the observations made by the defendant on 18/05/2020.
- 47 The observations of the cancellation applicant before the Board of Appeal include Annexes MB 11-19, which is evidence filed for the first time before the Board.
- 48 The Board exercises its discretion pursuant to Article 95 EUTMR and Article 27(4) EUTMDR (see 13/03/2007, C-29/05, *ArcoI/Capol*, EU:C:2007:162, § 43; 15/07/2015, T-24/13, *CACTUS OF PEACE*, EU:T:2015:494, § 77) against taking into account this evidence. It was the duty of the cancellation applicant to present evidence for an agent-principal relationship together with the cancellation request and at any rate before the Cancellation Division. It cannot be accepted that now in second instance the cancellation applicant comes up with evidence for the first time where the initial evidence was manifestly insufficient and inconclusive. Regardless whether or not that evidence is complementary or additional, it manifestly delays the proceedings if the essential elements of a claim under Article 21 EUTMR (regarding an agent-principal relationship) are brought forward only almost two years after the cancellation request was filed. The denial by the EUTM proprietor of the facts alleged by the cancellation applicant is not a ground for taking that evidence into account either, because it is the right of the owner of the contested EUTM to deny the facts alleged by the cancellation applicant and the burden of proof is and remains fully on the cancellation applicant.
- 49 It must be added for sake of clarity that filing of new evidence was not warranted because of the statement of grounds. The statement of grounds did not include any 'new' evidence from the side of the appellant: Annex HP 2 only confirms what the cancellation applicant proved regarding the German trade mark; Annexes HP 3-5 are just copies from the file (communication by the Office, correspondence from the cancellation applicant); Annexes MB 5-7 were just re-filings of documents filed by the cancellation applicant himself (as it is obvious from their

reference number ‘MB’), so there is nothing new and not even any ‘evidence’ in these documents.

- 50 Of course the cancellation applicant does not have to be heard on the fact that it filed certain documents itself.
- 51 This new evidence is also not conclusive and relevant in substance.
- 52 It merely consists of an affidavit signed by the CEO of US Corrosion which states that ‘Butzkies and Scandex AG were agents and distributors over many years’ and refers to attached e-mails. Such item of evidence is within the type of documents referred to in Article 97(1)(f) EUTMR, but it must be accompanied by direct documentary evidence in order to have probative value (09/12/2014, T-278/12, PROFLEX, EU:T:2014:1045, § 51; 13/05/2009, T-183/08, Jello Schuhpark II, EU:T:2009:156, § 39). Such is not the case. The statement ‘... were agents and distributors’ is a legal assessment. The role of an affidavit is to give facts or an explanation of the supporting documents, not to give a legal opinion (06/11/2014, T-463/12, MB, EU:T:2014:935, § 56). No documentary evidence is attached to corroborate this statement, only a bunch of further e-mails, for which what has been said in paragraphs 35-37 above applies as well: The context is unclear, nowhere there is a direct reference to a distribution agreement between the parties, and the e-mails concern names of persons the relevance of whom is unclear, e.g. Petra Solničková or Jakub Klasa, and the e-mails Annex MB 18 and 19 (which the affidavit claims to constitute ‘routine discussions of sales practises’) are from after the filing date of the contested EUTM and furthermore refer to Australia, the relevance of which country again remains unclear, and none of the submitted e-mails contains references to a subject of holding ‘routine discussions of sales practices’.
- 53 So there is nothing in this late evidence that could manifestly alter the assessment of the evidence furnished in time.
- 54 To conclude, the cancellation applicant failed to prove an agent-principal relationship in the sense of Article 21 (or Article 8(3)) EUTMR.
- 55 A discussion whether or not the goods covered by the earlier US mark relied on by the cancellation applicant (‘rust preventatives in the nature of a coating’) are identical or economically equivalent to some or all of the goods covered by the contested EUTM is thus unnecessary.

Auxiliary request, to declare the EUTM invalid pursuant to Article 60(1)(b) and 8(3) EUTMR

- 56 A request for assignment pursuant to Article 21 EUTMR may not be combined with a request for declaration of invalidity in the same cancellation request, regardless how the requests are framed and regardless whether the other claims are made on a cumulative or auxiliary (alternative) basis. The reason is that an assignment to the requestor and an invalidation are mutually exclusive legal sanc-

tions. A mark cannot be both assigned and annulled, a ‘dead’ mark cannot be transferred to a ‘true’ owner. And a mark transferred to the true owner cannot be annulled on the petition of the new ‘true’ owner. The requestor is obliged to choose one of these mutually exclusive options for relief in his request.

- 57 This means that the request to declare the EUTM invalid, presented as auxiliary and alternative to the one for assignment, is inadmissible.
- 58 The ‘auxiliary’ nature of the request for declaration of invalidity does not alter that conclusion. The cancellation applicant is entitled to put forward various grounds for declaration of invalidity, but is not entitled to force the Office to examine them in a particular order by means of (nowhere foreseen in the Regulations) ‘alternative’ or ‘auxiliary’ requests.
- 59 The Board is entitled to grant less than what is requested in terms of the contested goods and services (see Article 64(5) EUTMR), but for this a specific request from the cancellation applicant is not required.
- 60 Reference is made to the situation in opposition proceedings, where the opponent cannot force the Office to examine the various legal grounds or earlier rights for opposition in a particular order (see 16/09/2004, T-342/02, Moser Grupo Media, EU:T:2004:268, § 36, 45), colloquially referred to as ‘procedural economy’, but in reality a consequence of Article 95 EUTMR and the principles referred to in paragraph 16 above.
- 61 The contested decision so reasoned with respect to this auxiliary request, but it was contradictory and not logical that the contested decision nevertheless continued with the examination of the case for the goods for which the request for assignment was upheld, not under the grounds of Article 60(1)(b) and 8(3) EUTMR, but under the more remote ground of bad faith.
- 62 Moreover the conditions under Article 8(3) EUTMR that there is an agent-principal relationship are not fulfilled, as set out above.

Request to declare the EUTM invalid on the grounds of bad faith

- 63 As a further alternative measure, but not specified as to which of the previous requests it being alternative to, the cancellation applicant requested to declare the EUTM invalid on the grounds of bad faith.
- 64 This request is alternative to the one for assignment and cannot be combined with a request for assignment for the same reasons for which it cannot be combined with a declaration of invalidity on the grounds of Article 60(1)(b) and 8(3) EUTMR. Also the ground for declaration of invalidity based on bad faith (Article 59(1)(b) EUTMR) may not be combined in one request with the request for assignment under Article 21 EUTMR.

- 65 This concerns the admissibility of the cancellation request, and of the requests made therein, so it does not affect the substantive examination of the request, and the finding of an inadmissibility is not affected by that the declaration of invalidity on the grounds of bad faith can be pronounced (under Article 64(5) EUTMR) only for some goods and services (namely those for which the contested decision found that they bore not enough link with the goods and services of the US mark for which an agent-principal relationship was claimed). The cancellation request cannot be split, retroactively so to say, into one request for assignment for some goods and services and another request for declaration of invalidity on the grounds of bad faith; anyhow, such had not even been requested by the cancellation applicant.

Oral hearing

- 66 An oral hearing may not be requested as an alternative to the claim for annulment of the contested decision or to the claim for assignment/declaration of invalidity. Alternative means subsidiary to the main claim, i.e. of procedural relevance only upon dismissal of the main claim. After a (positive or negative) decision on the main claim there is no room for a request for an oral hearing and such a hearing after taking the decision would be pointless.
- 67 So it is to be concluded that all the requests presented in the cancellation request other than the one for assignment of the contested EUTM were inadmissible.
- 68 The cancellation applicant repeated the ‘alternative’ request for an oral hearing in reply to the appellant’s statement of grounds (see paragraph 12 above), and this is inadmissible as well.

Decision on the appeal

- 69 Upon the admissible appeal from the EUTM proprietor, the contested decision must be annulled, and the request for assignment of the EUTM as well as any of the other (alternative) requests contained in the cancellation request must be rejected, so that the EUTM shall remain on the Register of EUTMs and in the name of its registered proprietor for all the goods and services registered.
- 70 For the reasons set out above, the requests to hold an oral hearing, presented by both parties on appeal and again on an auxiliary basis, are inadmissible. The Board does not see any need for such a hearing before taking the decision; the case is ripe for decision, and the failure to substantiate an agent-principal relationship could not be made good by presenting the case orally.

Costs

- 71 The cancellation applicant (defendant) is the losing party within the meaning of Article 109(1) EUTMR and must bear the costs incurred by the EUTM proprietor

(appellant) in the cancellation and appeal proceedings. Pursuant to Article 109(1), (7) EUTMR, and Article 18(1)(c)(ii), (iii) EUTMDR, these are fixed at EUR 450 for the professional representation in the cancellation proceedings and EUR 550 for the professional representation the appeal proceedings, plus EUR 720 for the appeal fee, in total EUR 1 720.

Order

On those grounds,

THE BOARD

hereby:

- 1. Annuls the contested decision;**
- 2. Rejects the application for declaration of invalidity No 23 466 C;**
- 3. Orders the defendant to bear the costs in the cancellation and appeal proceedings;**
- 4. Fixes the amount of these costs to be reimbursed by the defendant to the appellant at EUR 1 720.**

Signed

D. Schennen

Signed

E. Fink

Signed

L. Marijnissen

Registrar:

Signed

p.o. P. Nafz

