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# AIPPI Study Question Q285 – Proving trademark use

Report of the Swiss Group Part I (Part II will be published in sic! 01/2024)

### I. Introductory remarks

This Study Question focusses on proving use in the context of the genuine use requirement of a trade mark to maintain and enforce the trade mark. Proving the reputation or distinctiveness of a trade mark acquired through use and infringement use are out of the scope of this Study Question.

### II. Legal sources

Federal Act on the Protection of Trade Marks and Indications of Source (Trade Mark Protection Act, TmPA), Ordinance on the Protection of Trade Marks and Indications of Source (TmPO); Swiss Civil Procedure Code (Civil Procedure Code, CPC); Trade Mark Guidelines of the Swiss Institute of Intellectual Property (IPI); Swiss Federal Administrative Court (FAC) case law; Swiss Federal Supreme Court (FSC) case law.

### II. Current law and practice

Please answer all questions in Part I on the basis of your Group's current law.

### Evidence to prove trade mark use

1. **Is there any quantitative or temporal threshold (minimum level) on evidence requirement to prove genuine use? Please answer YES or NO. Please comment.**

No. Swiss law does not define rights-preserving use and does not set any quantitative or temporal threshold (minimum level) on the evidence requirement to prove genuine use. However, according to practice and doctrine, rights-preserving use of a trade mark cumulatively requires that: (1) the mark is used as a trade mark, (2) that it is used in connection with the claimed goods and services in the course of trade, (3) that it is used in

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the domestic market and (4) that the use is genuine in accordance with the customary practices of a commercially meaningful trade (Decision of the FAC of 30 May 2008, No. B-2683/2007, para. 5.1 – *Solvay v. Solvexx*). The type, scope and duration of the use as well as special circumstances of the individual case must be considered when assessing genuine use, such as, e.g., the size and structure of the company in question (Decision of the FAC of 9 September 2014, No. B-6251/2013, para. 2.3 – *P&C (fig.) v. PD&C*).

From a subjective point of view, the trade mark owner must have the intention to satisfy any market demand (Decision of the FAC of 20 January 2014, No. B-2910/2012, para. 4.5 – *ARTELIER v. ARTELIER*). Any sham use which was only taken up in order to avert the loss of the trade mark by a symbolic sale does not qualify as genuine (FSC Decision, BGE 81 II 284, para. 1 – *Compass v. Kompass*). In order to be considered genuine use, a minimum market development is required, whereby the FSC has so far not required concrete sales figures. Even a small turnover is sufficient if the trade mark owner has the genuine intention to satisfy any market demand (FSC Decision, BGE 102 II 111, para. 3 – *SILVA v. SILVA THINS*). In the case of mass-produced consumer goods, a more extensive use of the trade mark is required than in the case of luxury goods (Part 6, Sec. 5.3.3 of the IPI's Trade Mark Guidelines revised on 1 March 2022; Decision of the FAC of 28 June 2011, No. B-7487/2010, para. 3 – *sparco (fig.) v. SPARQ*). As an example, an average annual turnover of EUR 8,000 has been deemed too low to make genuine use likely for an article of daily consumption (Decision of the FAC of 1 April 2014, No. B-3294/2013, para. 6.4 – *Koala (fig.) v. Koala's March*). Mere individual actions do not constitute genuine trade mark use (Decision of the FAC of 15 July 2010, No. B-5830/2009, para. 3.2.1 – *fünf Streifen (fig.) v. fünf Streifen (fig.)*).

From a temporal point of view, it is required that the genuine use took place within the five years preceding the non-use claim (Art. 31 TmPA). Hence, rights-preserving use cannot be established solely on the basis of undated documents (Decision of the FAC of 20 August 2007, No. B-7449/2006, para. 7.1 – *Exit v. Exit One*). However, undated documents can be taken into consid-

eration if they can be linked to dated documents (Decision of the FAC of 9 September 2014, No. B-6251/2013, para. 2.6 – *P&C (fig.) v. PD&C*). Also, continuous use during the five-year grace period is not required. Recent use can be adequate (Part 6, Sec. 5.3.2. of the IPI's Trade Mark Guidelines). Rather, the duration of use must be so long that, in accordance with Art. 11 TmPA, it is possible to speak of a genuine use preserving the trade mark right in the registered form or in a form that does not substantially deviate from the registered trade mark (cf. GASSER, in: Noth, Bühler and Thouvenin (Eds.), *Stämpfli Handkommentar, Markenschutzgesetz (MSchG)*, Bern 2017, 2nd edition, Art. 32 para. 23; hereinafter referred to «SHK MSchG-AUTHOR»). If the trade mark is used on a longer-term basis, even use started only shortly before the expiration of the grace period may be considered genuine; in any event, the specific circumstances of the individual case must be taken into consideration (cf. SHK MSchG-WANG, Art. 11 para. 75). As an example, if the market is specific, as with luxury goods whose sales are episodic, use which lasted less than one month and only took place in two German cities (based on the Agreement between Switzerland and Germany on Reciprocal Protection for Patents, Designs and Trade Marks, terminated since then) was not found sufficient (Decision of the FAC of 25 May 2021, No. B-6813/2019 – *APTIS v. APTIV*, published in sic! 10/2021, p. 547).

2. **If there is a minimum level on evidence requirement to prove genuine use, is that minimum level different for well-known/famous/commonly known marks from a quantitative, temporal or any other perspective? Please answer YES or NO. Please comment.**

As there is no minimum level on the evidence requirement to prove genuine use (cf. answer to question 1) this question does not apply for Switzerland.

In any event, well-known trade marks within the meaning of Art. 6<sup>bis</sup> of the Paris Convention can be protected in Switzerland even if they are not actually used in Switzerland and therefore form an exception to the requirement of use on the domestic market (FSC Decision, BGE 130 III 267 – *Tripp Trapp III*; cf. answer to question 1).

3. **Could evidence of one single advertisement likely to be sufficient to prove genuine use and if so, in what circumstances? Please answer YES or NO. Please comment.**

No. Even though use that started only shortly before the non-use challenge may be considered genuine depending on the circumstances (cf. answer to question 1), the Group considers it to be rather unlikely that one single advertisement could be sufficient to prove genuine use. In particular, to prove rights-preserving use, the trade mark owner would need to prove that he has the genuine intention to satisfy any market demand on a longer-term basis. One single advertisement will usually not suffice to prove this intention. Rather, the trade mark owner would need to provide further evidence such as

e.g., product packaging, brochures, catalogues, label samples, delivery bills and/or invoices.

4. **When considering genuine use, are there specific types of evidence (A) always excluded, (B) always included, or (C) given weight according to the circumstances?**

In order to prove rights-preserving use, the trade mark owner may, in principle, use all means of evidence admissible under the CPC, including testimony (cf. SHK MSchG-WANG, Art. 12 para. 64).

The CPC is based on a *numerus clausus* of evidence. The following evidence is admissible: testimony; physical records; inspection; expert opinion; written statements; questioning and statements of the parties (Art. 168 CPC).

Testimony evidence is excluded in opposition proceedings and summary (*inter partes*) proceedings, due to the summary nature of such proceedings. Testimony may, however, be admitted in subsequent appeals against e.g., opposition decisions (SHK MSchG-GASSER, Art. 32 para. 27).

None of the possible evidence is attributed any particular weight from the outset. It is the sum of all evidence provided that will be decisive in the individual case. However, products, product packaging, brochures, catalogues, label samples, delivery bills and invoices are typical pieces of evidence in practice; what is also conceivable are the results of commercial use searches as well as statements of industry organizations (SHK MSchG-GASSER, Art. 32 para. 24).

The mere existence of an internet presence does not constitute prima facie evidence in opposition proceedings (as opposed to the requirement of full proof in civil court proceedings). Rather, the internet site with the trade mark to be assessed must also have been visited by the relevant public and must have induced them to do business (SHK MSchG-GASSER, Art. 32 para. 54).

Although in Switzerland, all types of evidence are generally admissible, we provide our answers for each type of evidence listed below:

**Please consider the following types of evidence, and select category A, B or C for each of them and explain in each type why that category applies:**

- a) **declarations by or on behalf of the trade mark owner (e.g., corporate representatives)**

Category C. Mere declarations by the trade mark owner are in principle not considered as evidence. Rather they are considered as a party claim («*Parteibehauptung*») and will not suffice to prove rights-preserving use without providing additional evidence. Hence, it will depend on the circumstances.

- b) **declarations by unconnected and unpaid third parties**  
Category B.

- c) **declarations by unconnected but paid third parties**

Category C. Declarations by unconnected but paid third parties are likely to be considered as declarations by or on behalf of the trade mark owner. As such, they are in principle not considered as evidence but as mere party

claims («*Parteibehauptung*») and will not suffice to prove rights-preserving use without providing additional evidence. Hence, it will depend on the circumstances.

- d) **copies of current web pages**  
Category B.
- e) **copies of web pages from Wayback Machine (including entries from Wikipedia which cannot any longer be modified)**  
Category B.
- f) **unpaid consumer surveys (no payment to the respondents)**  
Category B.
- g) **paid consumer surveys (in which the respondents are paid in some means)**  
Category C. Assuming that consumers may be biased by receiving payment in some means, paid consumer surveys (in which the participants are paid in some means) are likely to be considered as declarations by or on behalf of the trade mark owner. As such, they are in principle not considered as evidence. Rather they are considered as a party claim («*Parteibehauptung*») and will likely not suffice to prove rights-preserving use without providing additional evidence. Hence, it will depend on the circumstances.
- h) **copies of invoices, bills, and accounts**  
Category B.
- i) **copies of advertising materials**  
Category B.
- j) **copies of distribution contracts**  
Category B.
- k) **evidence admitted by the adverse party in case of an inter partes proceeding**  
Category B.
- l) **anything else: please name and explain.**  
Testimony is excluded in opposition proceedings and summary (*inter partes*) proceedings, due to the summary nature of such proceedings. Testimony may, however, be admitted in subsequent appeals against, e.g., opposition decisions (SHK MSchG-GASSER, Art. 32 para. 27).

#### Use of the Mark in Forms Different from the Registered One and the Allowed Form Variation

5. **What are the criteria when assessing the genuine use of a trade mark if the mark in actual use is in a form different from the trade mark as registered? In other words, how much form variation of the mark can be accepted in proving its genuine use?**

According to Art. 11 para. 2 TmPA use in a «form not essentially deviating» from the registered mark is considered genuine use.

The FSC has established a formula whereby a deviation is not to be considered as «essential» as long as the distinctive core of the mark that characterizes the overall impression of the mark is not deprived of its identity and as long as the distinctive character of the mark is preserved despite the deviating use. According to the

FSC, this is the case only if the relevant public, even if it is aware of the deviation, still perceives the used and the registered forms as the same mark. The question therefore is whether the public considers the registered and the used form to be one and the same sign and does not attribute a distinctive effect to the changed, added or omitted elements. The thresholds to show that the registered and the used form of a trade mark do not essentially deviate are much higher than the requirements for showing the similarity of two signs in the assessment of trade mark infringement due to a likelihood of confusion (FSC Decision, BGE 139 III 424, para. 2.2.2 – *M WATCH MONDAINE, MOWATCH v. M-WATCH*, referring to FSC Decision, BGE 130 III 267 – *Tripp Trapp*; IPI Trade Mark Guidelines part 6, Sec. 5.3.6).

The IPI adopts the Principles of the Common Practice Use of a Trade Mark in a Form Differing from the one Registered established by the European Union Intellectual Property Network in October 2020 (hereinafter «the Principles of the Common Practice»). From the Principles of the Common Practice, in the assessment of whether the sign as used constitutes an acceptable variation of its form as registered, the following steps should be taken: Step 1: Assessment of the sign as registered taking into account its distinctive and visually dominant elements; Step 2: Assessment of the differences in the sign as used and the effect of the changes by assessing whether those elements that contribute to the distinctive character of the sign as registered are present and/or modified in the sign as used, in a direct (i.e. side-by-side) comparison of the two signs. As regards the effect of changes, account must be taken of the greater or lesser degree of distinctive character of the sign as registered.

6. **What factors are considered when judging whether the use of a variation of the mark can be accepted as valid use of a registered trade mark in your jurisdiction? Please select one or more answers from the following choices and provide explanations as appropriate:**

- a) the distinctiveness of the registered trade mark and the variation;
- b) whether such a variation alters the distinctive character of the registered trade mark;
- c) whether consumers view them as the same mark;
- d) whether the variation of the mark is also registered;
- e) other, please name

In Switzerland, factors a) to c) must always be considered (see answer to question 5). Factor d) is generally not taken into consideration according to Swiss case-law and doctrine.

7. **Which of the following variations may be viewed as not altering the distinctive character of the registered trade mark in your jurisdiction? Please choose one or more answers from the following choices:**

- a) **in which the typeface, size, and/or colour of the registered trade mark is changed, partially or wholly;**



Word marks are protected in any possible graphic design (typeface, size and colour), therefore, such variations are generally considered as not altering the «distinctive core»



of word marks. According to the Principles of the Common Practice, this applies as long as the word remains identifiable as such in the form used. When the word mark is no longer identifiable the distinctive character of the sign as registered will be altered. This is also the case where the sign as registered is of low distinctive character.

However, these variations may alter the distinctive core of marks registered as combined word and device marks or as pure device marks. According to the Principles of the Common Practice, modification of the representa-

tion is likely to alter the distinctive character, unless it concerns characteristics which are not essential contributors to the distinctive character of the sign. In the case of pure device marks of low distinctive character, even minor modifications to the mark may lead to an alteration of its distinctive character. For combined marks, in general, the more an element contributes to the distinctive character, the more a modification of such an element is likely to alter the distinctive character of the sign.

registered mark	used mark	reference
	 <p>Nr. 1                      Nr. 2                      Nr. 3</p> <p>Nr. 4                      Nr. 5                      Nr. 6                      Widerspruchsmarke IR 664'610</p>	FSC Decision, of 27 January 2009, No. B-648/2008 – HIRSCH (fig.) v. HIRSCH (fig.), published in sic! 7/8/2009, p.526

b) in which distinctive elements are added to the registered trade mark;

Additions of distinctive elements may generally be considered as altering the «distinctive core» of a trade mark, if in the resulting combined sign the registered


trade mark is no longer perceived as an independent element (Decisions of the FAC, No. B-3250/2021; No. B-576/2009 and No. B-580/2010 in which rights-preserving use was not affirmed).

registered mark	used mark	reference
SET ONE		Decision of the FAC of 15 September 2021, No. B-3250/2021
		Decision of the Federal Administrative Court of 25 June 2009, No. B-576/2009
		Decision of the FAC of 22 April 2010, No. B-580/2010
LIFE		Decision of the FAC of 11 June 2013, No. B-4465/2012, published in sic! 10/2013, p. 611

**c) in which non-distinctive elements are added to the registered trade mark;**

Such variations are generally considered as not altering the «distinctive core» of registered trade marks (Decision of the Commercial Court of Zurich; published in sic! 2015, p. 243 seq.; Decision of the Appeal Committee




for Intellectual Property; published in sic! 2006, p. 271 seq.; in both decisions rights-preserving use was affirmed). Purely descriptive additions do not in principle alter the overall impression (Part 6, Sec. 5.3.6 of the IPI’s Trade Mark Guidelines).

registered mark	used mark	reference
Metropole	Metropole Gestion Metropole Sélection	Decision of the Commercial Court of Zurich; published in sic! 2015, p. 243 seq.
Dona	Dona® 200-S	Decision of the Appeal Committee for Intellectual Property; published in sic! 2006, p. 271 seq.
OMIX		Decision of the FAC March 2013, No. B-2678/2012, para. 6

**d) in which part of the distinctive element is omitted from the registered trade mark;**

Omissions or alterations of distinctive elements in trade marks are likely to be considered as altering the core of the registered mark (FSC Decisions BGE 139 III 424, para. 2.3.2 and BGE 130 III 267; Decisions of the FAC,





No. B-1976/2007, No. B-7449/2006 and No. B-3056/2012; in none of those decisions was the rights-preserving use affirmed). Omission of a distinctive element produces a different overall impression and constitutes use which essentially diverges from registration (Part 6, Sec. 5.3.6 of the IPI’s Trade Mark Guidelines).

registered mark	used mark	reference
RUDOLPH ROTNASE		Decision of the FAC of 13 August 2007, No. B-1976/2007
	Tripp Trapp	FSC Decision, BGE 130 III 267
	EXIT EXIT KIDS	Decision of the FAC of 20 August 2007, No. B-7449/2006
	Arctic	Decision of the FAC of 4 June 2014, No. B-3056/2012

**e) in which the non-distinctive element is omitted, partially or wholly, from the registered trade mark;**

Omissions of non-distinctive elements in trade marks are likely to be considered as not altering the core of the registered mark (Decisions of the FAC, B-7500/2006 and

B-1755/2007; in both decisions rights-preserving use was affirmed). Dropping secondary parts of the mark or adapting it to the style of the day is acceptable (Part 6, Sec. 5.3.6 of the IPI’s Trade Mark Guidelines).

registered mark	used mark	reference
M-WATCH MONDAINE 	M-WATCH	FSC Decision, BGE 139 III 424, para. 2.2.2
		Decision of the FAC of 19 December 2007, No. B-7500/2006
	NO NAME	Decision of the FAC of 14 February 2008, No. B-1755/2007

**f) in which the word of the registered trade mark has been changed other than adding or omitting words but constitutes similar mark to the registered trade mark;**



This depends very much on the circumstances. The Group agrees that if the alteration changes the meaning of the word, there is no rights-preserving use (FSC Decision, BGE 81 II 284, para. 2a – *Compass v. Kompass*). The alteration may not change the distinctive core of the registered trade mark in any case. According to the Principles of the Common Practice, when the word mark is no longer identifiable as such, for example, due to use of the word in an outstanding stylization or due to modifi-

cations of characteristics that change the meaning of the verbal element (e.g. where the inverse order of the verbal elements leads to a different meaning or where a graphically highlighted part of the verbal element has a meaning of its own), the distinctive character of the sign as registered will be altered. This is also the case where the sign as registered is of low distinctive character.

**g) in which the layout of the different elements in the registered mark is changed, for instance, changing the up-and-down arrangement into left-and-right arrangement;**

Such changes are generally considered as not altering the core of the registered mark as long as the elements as

such are not being altered and their relative size remains the same (Decision of the FAC of 27 November 2007, No. B-4536/2007).

registered mark	used mark	reference
		Decision of the FAC of 27 November 2007, No. B-4536/2007

- h) **in which one composite element is omitted in case of a combined trade mark, for instance, the figurative element is omitted in use when it is a word/figurative combined trade mark;**

According to the Principles of the Common Practice, all the distinctive elements of the sign as registered contribute to its distinctive character. Therefore, the omission of one of those elements in the sign as used is likely to alter the distinctive character of the sign as registered. In cases where the elements in the sign as registered will be disregarded by the consumer due to their small size and/or their position, their omission in the sign as used will not alter the distinctive character of the sign as registered. If the sign as registered is of average distinctive character, the omission of a non-distinctive element in the sign as used is not likely to alter the distinctive character of the sign as registered. This may also generally be the case where the omitted element is of low distinctive character. However, it cannot be excluded that the omission of an element of low distinctive character may result in a different outcome, particularly if the omitted element is visually dominant or interacts with other elements. If the sign as registered is composed exclusively of elements of low distinctive character and/or of non-distinctive elements, the combination of which renders the sign as a whole registrable, the omission of one or more of these elements will generally alter the distinctive character of the sign as registered.

- i) **in which the registered mark is used in conjunction with another mark;**

According to the Principles of the Common Practice, when several signs are used together but remain independent from each other and perform their distinguishing function as separate signs, the question of whether the distinctive character of the sign as registered has been altered does not even arise. Whether the signs will be perceived independently or as forming part of one and the same sign must be determined on the basis of a global assessment, taking into account various factors, such as: the characteristics of the signs themselves (dominant and distinctive elements; their respective position; use in a different size, typeface or colour, presence or absence of syntactic or grammatical connections, etc.), the way the signs are presented in the evidence of use and the context of use (trade sector concerned, nat-

ure of the signs i.e. company names, house marks, product-line identifiers, sub-brands etc.), specific evidence capable of establishing that the signs are perceived independently by the consumers.

#### Trade Mark Use on the Internet and Virtual World

8. **Is the use of a mark on the internet/on a website taken into account for genuine use, and if so, what are the criteria? Please answer YES or NO and explain.**

Yes. The use of a mark on the internet/on a website is taken into account for genuine use. However, offering or advertising goods or services on the internet does not automatically constitute genuine use in Switzerland, especially if the relevant sites can be accessed under a generic top-level domain (e.g., «.com»). Rather, it is required that online use has a commercial effect in Switzerland. Swiss practice requires that there is a sufficient and direct connection to Switzerland and that the internet presence is at least suitable for generating a serious demand in Switzerland. In light of this, the goods or services offered under the trade mark via the internet must either be advertised in Switzerland on a reasonably regular and specific basis or regularly ordered from Switzerland. Indications of a sufficient domestic nexus are, for example, the option of using a national language or paying in the national currency (Decision of the FAC of 28 January 2022, No. B-2382/2020, para. 2.7.3; see also SHK MSchG-WANG, Art. 11 para. 53).

In one decision, 24 viral publications on websites and social networks (e.g. Twitter) during the reference period were not considered sufficient to demonstrate sufficient virtual use, as there is no commercial incentive (Decision of the FAC of 25 May 2021, No. B-6813/2019 – APTIS *v.* APTIV, published in sic! 10/2021, p. 547).

9. **Can a single use of a mark on the internet/on a website be attributed only to a specific single class of goods/services, or can it be attributed across a range of goods/services? Please select:**

a) **only a specific single class of goods/services;** b) **can be across a range of goods/services – please explain;** c) **other answer: please explain**

The group cannot provide a definitive answer to this question. It depends on whether on the website there is a sufficient connection between the trade mark and the goods/services:

Trade mark use requires that the mark can be attributed to specific goods/services, which implies that it is used as a «product-identifying distinguishing feature» or as an indication of the commercial origin of specific products. While it is not necessary that the mark appears on the products or their packaging itself, there must be a sufficient functional connection between the trade mark and the claimed goods/services. The relevant public must in any case clearly recognise the meaning of the mark as an instrument to distinguish the claimed goods/services from those of other competitors (see SHK MSchG-WANG, Art. 11 para. 7 seq.).

Trade mark use must be distinguished from mere business-related use. Business-related use is assumed if the relevant public perceives the mark as a designation of a company, while a sufficient functional connection between the goods/services and the company with regard to the commercial origin of the products cannot be established (e.g. use as company or trading name; see SHK MSchG-WANG, Art. 11 para 17 seq.).

Against this background, if the use on the internet/on a website is such that, in the view of the relevant public, it indicates the commercial origin of specific products and thus creates a sufficient functional connection between the trade mark and a range of goods/services, it might be attributed b) across a range of goods/services, depending on the specific goods/services for which the trade mark is used in the particular case.

10. What is the effect (in terms of genuine use) by the use of a mark in the virtual world (such as in a Metaverse), and in particular does the use of a mark in the virtual world also signify use of the mark on physical goods/real-world services?

Current Swiss law and practice contain hardly any rules or case law relating to the use of a trade mark in the virtual world. Nevertheless, the IPI does not consider virtual goods and services to be actual goods and services in the sense of the Nice Classification. Rather, the IPI currently only accepts goods such as «software enabling virtual representation of goods» in class 9 or «retail services relating to software enabling virtual representation of goods» in class 35. Against this background, it is very unlikely that the use of a mark in the virtual world will also be considered as use of the mark for physical goods/real-world services by the IPI.

11. What factors are taken into account when assessing whether the use of a trade mark in a virtual world (such as the metaverse) can be accepted as use in your jurisdiction in terms of the geographical coverage? Please select one or more answers from the following choices and provide explanations as appropriate:

a) whether the consumers in your jurisdiction can access the virtual world; b) whether there are users or participants from your jurisdiction in the virtual world; c) whether the virtual world provides the option of using a local language of your jurisdiction;

d) whether the virtual world provides the option of using a local currency of your jurisdiction; e) whether the virtual world provides an environment mimicking the local real environment of your jurisdiction; f) whether the organization who created or provides the virtual world is located in your jurisdiction; g) whether any physical facilities used to provide the virtual world are located in your jurisdiction; h) whether there are any promotional activities targeting consumers in your jurisdiction by the user of the trade mark or the provider of the virtual world; i) other, namely

As already mentioned in the answer to question 10, current Swiss law and practice do not provide any rules on genuine use of a mark in the virtual world. However, by analogous application of Swiss practice regarding the genuine use of a trade mark on the internet, the following factors might be taken into account: a), b), c), d) and h).

#### Justification of Non-use

12. What can be the justification of non-use in your jurisdiction? Please select one or more answers from the following choices and provide explanations as appropriate:

a) None; b) Force majeure; c) Policy restriction in your jurisdiction; d) Policy restriction in other jurisdictions, for instance in the jurisdiction of the trademark proprietor if it is out of your jurisdiction; e) Bankruptcy/insolvency of the trade mark proprietor; f) The trade mark proprietor being in financial difficulty (but not insolvent); g) Requirement of a licence or marketing authorization which takes long time to obtain; h) A still-pending trade mark transfer; i) A still-pending trade mark dispute regarding ownership, validity, etc.; j) A sufficiently high existing reputation of the trade mark, such that further use is commercially pointless/futile because it would not significantly increase or enhance that reputation; k) Others, please name

Art. 12 para. 1 TmPA is worded as follows: «[w]here the proprietor has not used the trade mark in relation to the goods or services for which it is claimed for an uninterrupted period of five years following the expiry of the opposition period with no opposition having been filed or upon conclusion of opposition proceedings, he may no longer assert his right to the trade mark, unless there are proper reasons for non-use».

If the trade mark is not used, the defendant may claim that there are proper reasons for non-use. Proper cause is defined as circumstances beyond the control of the proprietor which constitute an obstacle to the use of the trade mark, such as import restrictions or other state regulations applying to the goods protected by the trade mark. Circumstances beyond the control of the proprietor which constitute an obstacle to the use of the trade mark, such as import restrictions or other state regula-



tions applying to the goods protected by the trade mark, are considered to be just cause (Art. 19(1) of the Agreement on Trade-Related Aspects of Intellectual Property Rights). This exception provision must be applied restrictively. A failure to use is only justified on grounds on which the trade mark owner has no control (Decision of the FAC of 12 July 2017, No. B-5129/2016, para. 4.1 – *Chrom-Optics v. CHROM-OPTICS*). As an example, foreseeable or calculable technical or economic difficulties such as difficulties in importing foreign butter which were found foreseeable are the responsibility of the trade mark owner (FSC Decision of 16 April 1998, para. 3 – *Anchor v. Ancora*, published in sic! 1998, p. 40) (Part 6, Sec. 5.4 and Part 7, Sec. 4.3 of the IPI's Trade Mark Guidelines).

The concept of proper reasons for non-use is not specified any further in Swiss law. However, from the doctrine it is clear that non-use can only be legitimated by circumstances beyond the control of the trade mark owner which make the use of the trade mark impossible or so difficult that use cannot reasonably be requested from the trade mark owner (TISSOT, KRAUS AND SALVADÉ, *Propriété intellectuelle*, Bern 2019, para. 403; MEIER, in: De Werra and Gilliéron (eds.), *Commentaire romand Propriété intellectuelle*, Basel 2013, Art. 12 para. 16).

Examples of proper reasons for non-use can be events of force majeure, such as the destruction of the business of the trade mark owner by a natural disaster or the effects of war (drying up of sources of raw materials, lack of customers, lack of manpower) (MEIER, loc cit., Art. 12 para. 19).

A legal obstacle may also be a valid reason, such as the absence of a marketing authorization (in the case of the approval of a medicine for instance) (TISSOT, KRAUS AND SALVADÉ, loc cit., para. 403; MEIER, loc cit., Art. 12 para. 22, Decision of the FAC of 12 July 2017, No. B-5129/2016, para. 4.1 – *Chrom-Optics v. CHROM-OPTICS*).

Court orders prohibiting the use of a trademark can be proper reasons for non-use as well as the conduct of legal proceedings relating to the validity of a trade mark (MEIER, loc cit., Art. 12 para. 23; FSC Decision 4A\_286/2022 of 20 December 2022, para. 8.2; FSC Decision 4A\_177/2019 of 27 August 2019, para. 2.3).

Furthermore, according to Swiss FSC, opposition proceedings against a trade mark abroad used as a basis

for an international registration designating Switzerland can constitute a proper reason for non-use of this trade mark in Switzerland as long as the Swiss trade mark is dependent on the basic trade mark (Federal Supreme Court Decision, BGE 130 III 371, para. 2.3; TISSOT, KRAUS AND SALVADÉ, loc cit., para. 403; MEIER, loc cit., Art. 12 para. 23). It should be noted that only serious legal attacks on a trade mark can constitute proper reasons. A threat of legal action is not sufficient (TISSOT, KRAUS AND SALVADÉ, loc cit., para. 403; MEIER, loc cit., Art. 12 para. 23).

On the other hand, technical or economic difficulties which are foreseeable or calculable are attributable to the proprietor of the trade mark and are not sufficient to justify a serious reason for non-use (Decision of the Appeal Committee for Intellectual Property; published in sic! 1998, p. 406 et seq., para. 3 – *Anchor v. Ancora*; Decision by the IPI of 5 July 2019, No. 100096, para. 36; MEIER, loc cit., Art. 12 para. 17).

Based on the above explanations, the following choices apply as justification of non-use in Switzerland: b), c), d), g) and i).

**13. Would the burden of proof to prove the justification be reduced if it relates to a widely known event, such as the COVID 19 pandemic? Please answer YES or NO and explain.**

Yes. The Group assumes that «burden of proof» is understood as «standard of proof» in the present question. In a decision recently issued by the IPI (Decision of 23 June 2022, No. 101928), the COVID 19 pandemic has not been considered as a valid justification for non-use of a trade mark. Indeed, although the IPI recognized that the COVID 19 pandemic was a circumstance beyond the control of the owner of the trade mark concerned, it was considered in this particular case that some measures could have been taken by the trade mark owner in order to use its trade mark anyway (in the present case, according to the IPI, the trade mark owner should have taken measures to obtain an approval in order to start selling cars) (Decision of 23 June 2022, No. 101928, paras. 30 and 31).

Therefore, it is likely that events such as COVID-19 would be considered as reducing the standard of proof to prove the non-use justification, depending on the specific circumstances/fields of business.