# **TRADE MARKS ACT 1994**

IN THE MATTER OF APPLICATION NO 9102 BY CHRISTOPHER WITKOWSKI FOR REVOCATION OF TRADE MARK NO 1174439 IN THE NAME OF HEDGES & BUTLER LIMITED

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#### **DECISION**

- This decision concerns an application for revocation of the trade mark ZAMOYSKI, which is number 1174439 and is registered in Class 33 in respect of "Wines, spirits (beverages) and liqueurs". The registration stands in the name of Hedges & Butler Limited and is a composite word and device mark. The mark as registered is reproduced in the Annex.
- The application for revocation was made by Mr Christopher Witkowski and was filed on 8 July 1996. In his statement of grounds Mr Witkowski says that he wishes to register the mark ZAMOYSKI under which he has himself been trading; that the existence of the mark already on the register will be a bar to such a registration; and that enquiries made by him lead him to believe that there has been no use by the proprietor for a period of at least 5 years following completion of the registration procedure. Accordingly he asks for revocation under section 46(1)(a) of the Trade Marks Act 1994.

The registered proprietor filed a counterstatement denying these grounds and asking for refusal of the application. Both sides ask for an award of costs in their favour.

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Both sides filed evidence in these proceedings. The proprietor was represented by his agent, Trade Mark Owners Association Limited, and the applicant represented himself. Both sides have indicated that they are content for a decision to be taken on the basis of the written evidence filed, and having carefully considered all the evidence I now give this decision.

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## Registered proprietor's evidence

The registered proprietor filed a statutory declaration dated 24 October 1996 by Mr Ian

Powell, who states that he is a Barrister employed in the legal department of Bass PLC (Bass); that Hedges & Butler Limited is a wholly owned subsidiary of Bass; and that Hedges & Butler has itself used, and consented to the use of the mark by Bass Brewers Limited. He states that Bass Brewers supplied and sold vodka under the name ZAMOWSKI consistently until at least the end of 1993. He exhibits a number of price lists, details of promotional activity in the form of internal company correspondence concerning a salesmen's incentive scheme run during 1992, and an example of advertising showing the mark as applied to the goods.

## Applicant's evidence

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Mr Witkowski has filed a statutory declaration dated 6 March 1997 which gives an account of attempts made by him to establish the extent of use of the proprietor's mark. He explains that he has been a partner in a restaurant business in Hampstead in London which has since 1987 traded as the "Zamoyski Restaurant and Wine Bar". He exhibits a letter of 23 September 1987 from Hedges & Butler Limited which gave their consent to his use of the name, subject to various conditions intended to avoid confusion with vodka or any other drinks sold under the mark.

Mr Witkowski says that he has never, since he began trading, come across any references to Zamoyski vodka or other spirit in advertising or sales material directed at either the trade or the public. He declares that before submitting his application for revocation he made a number of enquiries about whether trade magazines had carried advertisements relating to Zamoyski vodka, with a nil result. He says that enquiries as to the availability from them of Z vodka were also made of various cash and carry outlets, Polish clubs and importers and distributors, again with a negative result.

Mr Witkowski states that he also attempted to contact Hedges & Butler before making his application, only to find that the company no longer trades from the premises shown in the exhibit. Enquiries of BT were also unsuccessful, since the only alternative telephone number given for Hedges & Butler was met with a response that the company had ceased to trade and been closed for 3 or 4 years or more.

In relation to the Proprietor's evidence, Mr Witkowski suggests that the examples of use given are not conclusive of widespread countrywide use of the mark. He says that the evidence relates only to limited sales of the vodka to the end of 1993 within the geographical area of Scotland and mainly to and between companies associated with or under the control of Bass. He submits that if Hedges & Butler have ceased to trade, they cannot have used the mark; and states that use by any other company including a holding company should have been reflected in an assignment or other registrable transaction, for which there has been no application.

# 35 <u>Proprietor's evidence in reply</u>

In a further statutory declaration dated 2 January 1998, Mr Powell exhibits a printout giving details of the registration, along with extracts from the Trade Marks Journal dated 7 November 1984. These show Trade Mark Owners Association as both agent and address for service in respect of the registration. He goes on to state that the registration in suit was entered on the Register on 27 February 1985, and that it was in use by Hedges & Butler at that time in relation to yodka.

That concludes my review of the evidence.

## Decision

The applicant has pleaded grounds under section 46(1)(a), which reads as follows:

(a)

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46.- (1) The registration of a trade mark may be revoked on any of the following grounds -

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that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

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The evidence filed by Mr Powell on behalf of Bass seeks to show that there has been use of the mark by Bass Brewers Limited in the period 1992 to 1993. I shall consider the strength of this evidence in a moment, but I need first to address the question of whether this evidence goes to the grounds pleaded for revocation. The mark was registered on 27 February 1985, and the period of 5 years referred to in section 46(1)(a) therefore runs only until 27 February 1990. The evidence of use is accordingly after the end of the relevant period. However, section 46(3) says:

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46. - (3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) 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:

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Provided that, any such commencement or resumption of use after the expiry of the five year period but 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.

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This means that if use by the proprietor or with his consent is substantiated in 1992 and/or 1993 it falls within the scope of section 46(3). This is because such use would have taken place after the five year period, and before the date of application for revocation, which was in 1996.

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Turning now to the evidence of use, there is little by way of confirmation of the level of sales of product under the ZAMOYSKI mark. There is a sales analysis by region which shows an accumulated year to date figure of "181,178", which presumably relates to the value of sales in pounds but does not say so explicitly. More seriously, there is nothing on the sheet in question to show the date. I believe the most substantial evidence put forward is a series of internal memoranda concerning a sales promotion drive for ZAMOYSKI vodka targeted at the free trade in Scotland. These include pictures of display kits consisting of bottles, drip trays, ice buckets and spirit optics. Although most of these items are marked with only the word "ZAMOYSKI", the picture of the bottle clearly shows the mark in use in the form in which it was registered, ie as a composite word and device mark. The correspondence shows that the

promotional scheme resulted 156 new accounts being opened with distributors. There is also correspondence from October 1992 between Thomson and Co, a Bass Brewers subsidiary, and a wholesaler wanting to return unsold stock, which refers to 14 cases of 12 bottles as remaining unsold. There is also correspondence from November 1992 with Booker Cash & Carry which concerns a failure to ensure that bar codes are on the product, and which demonstrates that sales were taking place through that outlet.

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Mr Witkowski has challenged in his submissions whether this limited use within Scotland is sufficient. I find that it is. The use is clearly not de minimis, and the fact that it relates only to a part of the UK does not undermine its validity. There is no requirement for a mark to be used throughout the UK.

I turn now to the question of whether such use can be said to be use by the proprietor or with his consent. The significance of this is that Mr Witkowski has made much in his evidence of the difficulty of contacting the proprietor, and has argued that since Hedges & Butler appears in his view to be simply a shell company, the proprietor himself cannot have been using the mark.

Mr Powell states in his second statutory declaration that he is a director of Hedges & Butler, and in his first statutory declaration that Hedges & Butler is a wholly owned subsidiary of Bass. It seems to me clear that in most circumstances the fact that a proprietor, as a company, is wholly owned or controlled by another must mean that the latter is deemed to have the consent of the proprietor for any acts that the holding company may carry out. However in this case the declarant is a director of the proprietor as well as an employee of Bass, and I therefore believe there can be no doubt that use by Bass is use with the proprietor's consent.

As to Mr Witkowski's difficulties in contacting the proprietor it appears that he did not attempt to do so via the proprietor's agent or the address for service shown on the Register. And I have no evidence before me that the proprietor has in fact been wound up or dissolved as Mr Witkowski appeared to believe. On the contrary, on Mr Powell's evidence, the proprietor is still in existence and he is a director of it.

I therefore find that on the evidence the application for revocation on grounds of non-use fails in relation to vodka, since it has been demonstrated that use has taken place by the proprietor or with his consent. However that is not the end of the matter, since I need also to consider the provisions of section 46(5), which reads:

46. - (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.

The proprietor's evidence relates only to use of the mark as far as vodka is concerned. No reference has been made to use for any other goods. Accordingly it seems to me that grounds for revocation do exist in relation to the other goods for which the mark is registered. My decision therefore is that the mark should be revoked in relation to goods other than vodka, and that this should apply with effect from 8 July 1996, which was the date the application for revocation was filed.

The application for the revocation of this registration has succeeded in relation to some of the goods, but failed in relation to others. That being so I believe it is right that the burden of costs should be divided between the parties, and I decline to make an order in relation to costs.

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Dated this 4th day of December 1998

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PETER LAWRENCE
Principal Inter Partes Hearing Officer
For the Registrar
the Comptroller-General

