

TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 11244
BY EMAK S. P.A.
FOR REVOCATION OF TRADE MARK No 1109421
DYNAMARK
STANDING IN THE NAME OF
DYNAMARK CORPORATION

DECISION

- 1) The trade mark **DYNAMARK** is registered under number 1109421 in Class 7 of the register in respect of **M**achines for use in gardening and power operated machine tools; and parts included in Class 7 of all the aforesaid goods@.
- 2) The application for registration was made on 13 February 1979 and the mark was placed on the register on 26 October 1981. The registration stands in the name of Dynamark Corporation of 875 North Michigan Avenue, Chicago, Illinois, USA.
- 3) By an application dated 19 November 1999, EMAK S.P.A. of 4, Via Fermi, I-42011 Bagnolo in Piano (RE), Italy applied for the revocation of the registration under the provisions of Section 46(1)(a) & (b). The grounds stated that there has been no use of the trade mark in suit, since it was entered onto the Register by the proprietor (or with his consent) in relation to the goods covered by the registration and there are no proper reasons for non-use.
- 4) In the alternative they contend that there has been no use of the mark in suit for an uninterrupted period of five years and three months prior to the date of the application. Further, they state that there are no proper reasons for such non-use.
- 5) On 3 March 2000 the intervener on behalf of the registered proprietor filed a counterstatement stating that the mark registered had been used by or with the consent of the proprietor or beneficial owner within the relevant period. Alternatively there were proper reasons for non-use, **A**namely the difficulty faced by the proprietor in breaking into a new market in the UK. The proprietor asked for the refusal of the request for revocation of registration.
- 6) Also on the 3 March 2000 a request to intervene was filed by Murray Inc. of 219 Franklin Road, P.O. Box 268 Brentwood, Tennessee, USA who claim that they are the beneficial owners of the trade mark **DYNAMARK** in the UK. This request was granted by the Registry.
- 7) Both sides seek an award of costs. Both sides filed evidence.
- 8) At the hearing, on 11 December 2001, the intervener was represented by Mr Bartlett of Messrs Beck Greener. The applicant for revocation was represented by Mr Stacey of Messrs Baron & Warren.

INTERVENER'S EVIDENCE.

9) The intervener filed an affidavit, dated 2 March 2000, by Patrick McCurdy the Vice President (Marketing) of Murray Inc. He states that he has access to the relevant books and records of Murray Inc. and that the facts set out by him are either taken from these records or are from his own knowledge. He states that Murray Inc. is the successor in title to that part of the business of Dynamark Corporation carried out under the trade mark DYNAMARK and is the beneficial owner of UK Trade Mark registration No 1109421@.

10) Mr McCurdy claims that his company has continuously manufactured and sold products (including in particular mowers and snowthrowers) using the mark in suit from 1995 to the present. He states that because he did not receive the papers concerning this case until 29 February 2000 he has been unable to carry out an exhaustive search of all sales in the UK. However, he claims that one sale can be documented. This sale was made on 10 August 1999 by Murray Inc to Hayter Ltd and consists, inter alia, of three mowers. At exhibit PM1 he provides a copy of an invoice which he claims evidences the sale. On the invoice provided the goods are not identified by the trade mark but by the designation A829". He states that this is an internal Murray code indicating that the products in question were branded as DYNAMARK. At exhibit PM2 he provides an example of the type of decal that would be attached to such products when shipped. The invoice shows that three 30" mowers were amongst a consignment of goods. The cost of these mowers is given as 698 each. The invoice does not state whether the amount relates to US\$ or UK, . I have assumed that the price is in US\$ as the invoice states the terms as F.O.B. Factory Lawrenceburg, Tenn.@. Therefore, I estimate the total cost of the three mowers to be approximately , 1400. The decal has the word DYNAMARK printed across it and also the designation A8/76".

11) Mr McCurdy states that his company has promoted products under the mark in suit during the period 1994 to 1999 by exhibiting at the International Garden Trade Fair in Germany in 1996, 1997 and 1998. He claims that, as this is the largest international lawn and garden show, potential customers from throughout Europe attend. Further he claims that his company has registrations of the mark DYNAMARK in France, Benelux, Italy and Germany and has made sales in these and many other countries. Lastly he states that:

AMurray considers the UK to be a major market for its products including its DYNAMARK products, and has made substantial and continual efforts to exploit the UK market during the past few years.@

APPLICANT'S EVIDENCE

12) The applicant filed three witness statements and a declaration. The first statement, dated 22 November 2000, is by Eunice Murray Jefferson, employed by the applicant's Trade Mark Attorney.

13) Ms Jefferson states that she contacted the publishers of AThe Garden Machinery Price Guide@ claimed to be the trade publication for dealers. No reference to the mark in suit has been made

in this publication since its last entry in November 1994.

14) Ms Jefferson also contacted The Agricultural Engineers Association and was informed that no reference could be found to the mark in suit in their Guide to Trade Names.

15) The second statement, dated 21 November 2000, is by John Anthony Hemming the Managing Director of Hemming & Wood Ltd. Mr Hemming states that he has been working since 1976 in the market for chain saws, lawnmowers and machines in general for agriculture and for gardening. He states that the applicant in this case has acquired a shareholding in his firm and that he acts for them in the UK.

16) He states that every month during the last ten - fifteen years he has read The Garden Machinery Price Guide and as a result is not aware of any machinery marked DYNAMARK being available in the UK in the last five years. He has also attended the annual Glee and Saltex Trade Fairs held each September in the UK and states ~~on~~ no occasion did I find any products on show bearing the name and/or trade mark DYNAMARK@

17) The third statement, dated 25 August 2000, is by James Maxwell Stacey the applicant's Trade Mark Attorney. He describes how he carried out a search of the Internet, focussing in particular on the website of Murray Inc. He states that he was unable to identify any website past or present relating to Dynamark Corporation. On the Murray website no reference could be found to the mark in suit. At exhibit JMS1 he provides copies of print-outs from the Murray website.

18) Mr Stacey states that enquiries were made through the distributors for the applicant's both in the UK and the USA. The results of these enquiries indicate, he claims, that the mark has not been put to use in either the USA or the UK for at least five years prior to the commencement of these proceedings.

19) The declaration, dated 21 December 2000, is by Ariello Bartoli the Chairman of EMAK S.p.A. the applicant company. The declaration is in Italian but has been translated. The company was formed by the merger to two companies which had been making garden and horticultural products. Since the merger in 1992 the company has sold chain saws, lawnmowers and machinery for agricultural, gardening and forestry use using the DYNAMAC trade mark. It has this mark registered in Italy and Greece as well as having an International Registration. The products are sold in a number of European countries.

20) Mr Bartoli states that his company also attended the International Garden Trade Fair in Cologne in the years 1996-1998. He states that during these years:

At no stage ever noted the promotion of goods bearing the mark DYNAMARK. Given the close visual and phonetic similarities such use would have come to EMAK's attention@

21) Commenting on the intervener's evidence Mr Bartoli states that he would have expected brochures, catalogues and price lists to be filed. He also states that selling only three mowers should be seen as de minimis. He also states that the claim of Murray Inc. to be the successor in

business to the registered proprietor has not been substantiated.

INTERVENER'S EVIDENCE IN REPLY

22) The intervener filed an affidavit, dated 16 July 2001, by Jim Falls the Vice President of Sales of Murray Inc. He states that there have been a number of transfers of title and changes of name which have affected the DYNAMARK business, the most important of which are the following@

i) On 17 January 1992, an assignment of US trade mark 913083 (DYNAMARK) and undertaking from Dynamark Corporation of Illinois to Noma Corporation of Delaware.

ii) On 31 March 1992 an assignment of US trade mark 913083 (DYNAMARK) and undertaking from Noma Corporation of Delaware to Noma Outdoor Products Inc. of Tennessee.

iii) On 7 April 1993 an assignment of US trade marks 913083 (DYNAMARK) and 1738006 (DYNAMARK) and undertaking from Noma Outdoor Products Inc. of Tennessee to Noma Corporation of Delaware, and

iv) On 14 December 1995 an assignment of US trade marks 913083 (DYNAMARK) and 1738006 (DYNAMARK) and undertaking from Noma Corporation of Delaware to Murray Inc.

23) Mr Falls provides copies of these four assignments at exhibits JF1-4. He states that he has been unable to locate any documents which purport to assign specifically the UK trade mark DYNAMARK. Although he has located documents referring to the mark in general. Mr Falls also comments:

I am confident from the records which I have seen, and my own personal knowledge, that the intention of all the parties involved in the above transactions has always been that the whole of the business associated with the Dynamark Trade Mark world wide, including the UK Trade Marks, was to be assigned with the business in the USA and that there was never any intention to assign the United States business, and trade marks associated with it, separately from the business in any other country. Accordingly, I am confident that it was always the intention that the United Kingdom trade mark should be assigned along with the US trade marks and the US business.@

Murray Inc. has continued to use the DYNAMARK brand on lawn and garden tractors in Sweden, Ireland, Germany, West Germany [sic], Belgium, France, Austria, South America including Argentina, as well as in the United States of America. Murray has made continued attempts to introduce the brand into the United Kingdom. Murray has arranged for lawn and garden tractors bearing the DYNAMARK trade mark to be displayed at the International Garden Trade Fair held in Cologne, Germany every year for the past several years, including the most recent show held in September of 2000. This fair is the leading event for products of this kind in Europe, and would certainly be attended by buyers from

the UK. A photograph of a product of the type displayed at the fair, illustrating use of the DYNAMARK trade mark is attached hereto as exhibit JF5.@

Unfortunately those attempts have not met with significant success for sales of product into the UK and the only actual sales of product under the DYNAMARK brand in the UK which have actually been achieved in recent years are those attested to in the earlier affidavit of Patrick McCurdy in these proceedings.@

24) Exhibit JF5 referred to shows a small garden tractor with the mark in suit shown on the engine cover. It is a studio photograph, not one taken at the Trade Fair mentioned.

APPLICANT'S EVIDENCE IN REPLY

25) The applicant filed another statement, dated 3 August 2001, by Ms Jefferson. She states that the documents provided regarding the changes in proprietorship do not refer to the UK trade mark. Hence, she claims, Murray Inc have not shown that they are the successor in title to the UK registration. She also states that Murray Inc have failed to provide evidence of use within the UK. Further, she states that it is normal when attending a trade fair to have literature to hand out, but nothing of this type has been provided in evidence. She points out that the applicant's evidence states that the mark in suit has not been used at the Trade Fair as claimed and that the proprietor's evidence does not address the point.

26) That concludes my review of the evidence. I now turn to the decision.

DECISION

27) At the hearing Mr Stacey, for the applicant, withdrew the ground of opposition under Section 46(1)(a). The only ground of revocation is therefore based on Section 46(1)(b) which reads:

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

(a) that within the period of five years following the date of 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;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non - use;

28) Where the registered proprietor claims that there has been use of the trade mark, the provisions of Section 100 of the Act makes it clear that the onus of showing use rests with him. It reads:

100. If in any civil proceedings under this Act a question arises as to the use to which

a registered trade mark has been put, it is for the proprietor to show what use has been made of it.

29) The applicant alleges that the mark has not been used in the five years ending three months prior to the date of the application for revocation. The period in question is therefore 19 August 1994 - 18 August 1999.

30) My attention was drawn to a number of reported cases. In relation to the meaning of the term genuine use and issues to do with substantiality of use. Mr Bartlett referred me to headnote 4 of *ZIPPO Trade Mark* [1999] RPC 173:

A(4) The word *genuine* as used in section 46 of the Trade Marks Act 1994 was not intended to have a material effect on previous practice in relation to non-use of a trade mark. Substantiality (or degree) of use continues to be a factor in deciding whether use of a mark was genuine. However, where it was established that a mark had been used, and the genuineness of use was not in question, detailed consideration of substantiality served no purpose....

31) However, Mr Stacey referred me to the comments of Jacob J. in *Euromarket Designs Inc. v Peterson & Another* 25 July [2000] ALL ER(D) 1050. The learned judge said that:

It seems to me that *genuine use* must involve that which a trader or consumer would regard as a real or genuine trade in this country. This involves quantity as well as the nature of use. In part it is a question of degree and there may well be cases on the borderline. If that were not so, and Ms Vittoria were right, a single advertisement intended for local consumption in just one US city in a journal which happened to have a tiny UK distribution would be enough to save a trade mark monopoly in this country. Yet the advertisement would not be a *sham*. This to my mind shows that Ms Vittoria's gloss on the meaning of *genuine* is not enough. And the only stopping place after that is real trade in this country.

32) I also look to the unreported comments of Jacob J. in the case of *Laboratories Goemar SA v La Mer Technology Inc.* CH 2001 App 010568 & 010569, dated 19 December 2001. This was an appeal against a decision by the Registry. In that case the question of whether a very limited amount of use definitely in this country can be regarded as sufficient to be *genuine*. It was decided to refer to the matter to the European Court of Justice. However, the learned judge also gave his opinion on the matter.

A29. Now my own answer. I take the view that provided there is nothing artificial about a transaction under a mark, then it will amount to *genuine* use. There is no lower limit of *negligible*. However, the smaller the amount of use, the more carefully must it be proved, and the more important will it be for the trade mark owner to demonstrate that the use was not merely *colourable* or *token*, that is to say done with the ulterior motive of validating the registration. Where the use is not actually on the goods or the packaging (for instance it is in advertisement) then one must further inquire whether that

advertisement was really directed at customers here. For then the place of use is also called into question, as in *Euromarket*.@

33) On the question of onus of proof I also take into account the comments from the NODOZ case [1962] RPC 1. In which Mr Justice Wilberforce dealt with the issue of the onus of proof on the registered proprietor. He said at page 7 line 34:

A The respondents are relying upon one exclusive act of user, an isolated act, and there is nothing else which is alleged or set up for the whole of the five year period. It may well be, of course, that in a suitable case one single act of user of the trade mark is sufficient; I am not saying for a moment that that is not so; but in a case where one single act is relied on it does seem to me that that single act ought to be established by, if not conclusive proof, at any rate overwhelmingly convincing proof. It seems to me that the fewer the acts relied on the more solidly ought they to be established,@

34) In the instant case I first have to consider whether the intervenor (Murray Inc.) Is the beneficial owner of the trade mark in question. In his evidence, Mr Jim Falls the Vice President of Sales of Murray Inc. states clearly that he has been unable to locate any documents which purport to assign specifically UK Trade Mark number 1109421. He also states that his company has been using the mark in a number of countries and has been attempting to introduce the brand into the UK. In my view, Murray Inc. has not provided any claim or documentation which supports its claim to have become the beneficial owner of the UK registration. Any use during the five year period had to be by the proprietor or with his consent. The effect of the intervenor not being the beneficial owner or proprietor therefore means that no evidence of use or reasons for non-use have been provided. The application for revocation therefore succeeds.

35) In case I am wrong about the ownership point I will consider the evidence which has been provided by the intervenor as though it were the beneficial owner and proprietor of the mark in suit.

36) It was asserted that the intervenor attended the International Garden Trade Fair in Germany in 1996, 1997 & 1998. It is claimed that this fair is the leading event for products covered in the marks specification in Europe. It is also claimed that it is attended by buyers from the UK. However, no corroborative evidence of attendance was provided nor was it specified if any UK buyers were spoken to at the fair or written to either before or after the event. It is normal practice to write to potential clients inviting them to view your goods at a trade fair, similarly it is normal to record the names of those who visit the stand in order to send out literature and follow up potential leads. However, no evidence of any such activity was filed or even alluded to in the statements made.

37) The intervenor claims that efforts were made to introduce the brand into the UK but no details of what this entailed was provided. The only evidence of use was a single invoice produced at exhibit PM1. The invoice shows a date of 08/ 10/ 99 which I assume is the American way of writing 10 August 1999. The invoice is from Murray Inc. to Hayter Ltd in Hertfordshire. The total amount of the invoice is shown as 36210 which I take to be US\$. Amongst a list of goods is a description A30" RER HAKO@ with a stock number A30540x29@. The invoice shows three such items supplied at a total cost of approximately , 1,400. It is claimed that the designation

Ax29@ is an internal Murray code indicating that the products were branded with the mark in suit.

38) The intervener has not commented upon why a well known manufacturer of lawn mowers such as Hayter should be purchasing their products. If this had been the first stage in a potential agency or licensing agreement then one would have expected the intervener to mention this fact and refer to discussions between the parties. However, the intervener has chosen to rely solely on the document at exhibit PM1, and has not even provided a list of internal designations which would have provided corroboration that the goods were indeed branded with the DYNAMARK trade mark.

39) Given the very specific nature of the revocation action, the intervener had no reason not to file clear, unambiguous evidence of use of the mark in relation to the goods under attack. I have come to the view that the intervener has failed to discharge the onus that is placed on them by Section 100 of the Act.

40) The application for revocation succeeds. I order the intervener to pay the applicant the sum of , 1335. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 20 day of March 2002

George W Salthouse
For the Registrar
The Comptroller General