

O-054-04

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK REGISTRATION No. 1321626
IN THE NAME OF K K SONI INTERNATIONAL LIMITED**

AND

**IN THE MATTER OF AN APPLICATION FOR REVOCATION
UNDER No. 81106 BY PRIMETEX**

TRADE MARKS ACT 1994

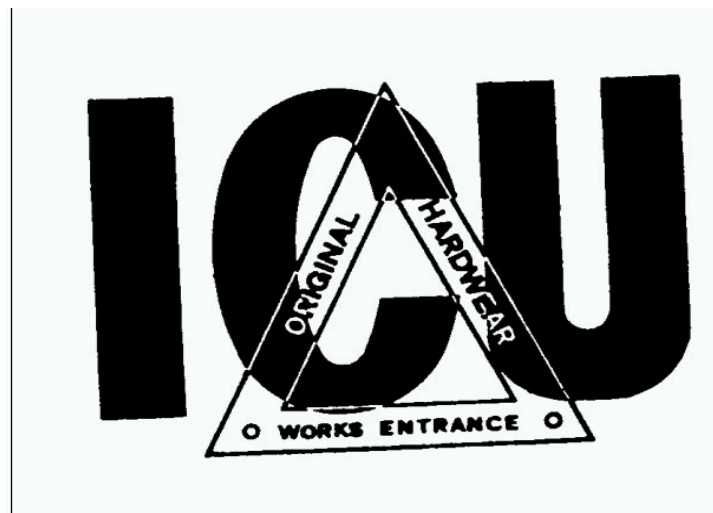
**IN THE MATTER OF Trade Mark Registration
No. 1321626 in the name of K K Soni International Limited**

and

**IN THE MATTER OF an Application for Revocation
under No. 81106 by Primetex**

BACKGROUND

1. On 18 December 2002, Primetex applied to revoke registration No. 1321626 standing in the name of K K Soni International Limited. The registration is in respect of the following trade mark:



Registration of this mark shall give no right to the exclusive use of the words
@Original Hardwear@ and @Works Entrance@.

2. The mark is registered for the following specification of goods:

Jeans and articles of clothing for casual wear; all included in Class 25.

3. The application for revocation is made under Section 46(1)(b) and is expressed as follows:

AYthe trade mark had not been put to genuine use, by the proprietor or with its consent in the United Kingdom, in relation to the goods covered by the registration for an uninterrupted period of five years prior to the filing of the application for revocation, and there are no proper reasons for non-use.@

4. On 10 April 2003, the registered proprietors filed a counterstatement in which they say that the mark has been used, and ask that the application for revocation be refused.

5. Both sides seek an award of costs.

6. Both the registered proprietors and the applicants for revocation filed evidence in these proceedings. Neither side took up the offer of an oral hearing, although the agents acting for the applicants for revocation provided written submissions in lieu of a hearing. After a careful study of the papers and evidence I go on to make my decision.

Registered proprietors= evidence Rule 31(2)

7. This consists of a Witness Statement dated 9 April 2003, by Sandeep Kumar Soni, Finance Director of K K Soni International Limited, the registered proprietors.

8. Mr Soni says that his father started selling goods under the ICU logo around 1983, the original version being registered under number 1201118, (the old logo) details of which are shown as exhibit SKS1 along with details of the mark that is the subject of this revocation action (the new logo). He says that different versions of the ICU mark have been in use since the late 1970s and early 1980s in respect of articles of clothing, specifically, trousers, jeans and skirts. Mr Soni says that the mark in the form as registered under 1321626 was used by his company, K K Soni International Limited, in relation to clothing until approximately 1999, and that there have been limited sales of jeans bearing the trade mark in the relevant period, which I take to mean the five years immediately preceding the date of the application for revocation. He refers to exhibit SKS2, which consists of a pair of jeans (and a photograph of them) bearing the ICU label as registered, the swing tag bearing the name Lekha Imports Limited and the word SAMPLE. There is no way of dating these jeans.

9. Mr Soni says that the invoices at exhibit SKS6 show that there have been sales of ICU branded jeans. The invoices are hand-written and include a number of entries relating to the sale of ICU jeans, although there is nothing to indicate whether these were marked with the old, new, or in fact, a completely different ICU logo. Mr Soni says that his company continued to use the ICU logo in various forms in relation to a wide range of clothing until May 2001, when the company scaled down its trading activities. He says

that the mark is still used by an associated company, Lekha Fashions Limited with the consent of his company.

10. Mr Soni repeats that the ICU mark has been used in various forms over the past 20 years, exhibit SKS3 being examples of some, but none being the version that is the subject of these proceedings. Mr Soni states that throughout, the main distinctive element of the brand has been the letters ICU. For ease of reference, copies of the sheets forming exhibit SKS3 are shown as annex 1 to this decision.

11. Mr Soni states that his company sells a wide range of goods under the ICU brand in its various forms, exhibit SKS4 being samples (and photographs) of clothing sold under the ICU mark. Some of the items have sew-in labels bearing the letters ICU; all have labels and swing tags with various forms of the ICU marks on them, although not the mark that is the subject of these proceedings. All are marked as samples, two items also having a label from another manufacturer who appears to have made the clothing for Lekha and provided them for approval. As samples it cannot be certain that they were ever on the market, and as none bear a date of any sort, cannot be said to have been in existence in the relevant period.

12. Mr Soni states that around 1980, Mr Kudlip Kumar Soni, a predecessor in title, made sales of ICU branded clothing amounting to some , 150,000, (although does not say where this figure comes from) of which approximately 40% would have been in retail outlets, 60% in wholesale. He gives figures for 1986 and 1996, deriving these from an estimate that ICU branded goods would account for about 20% of the businesses gross sales, which means that sales of ICU goods would have amounted to , 500,000 and , 1,000,000, respectively. Again, Mr Soni does not say where the figures he gives come from. He gives further figures for the years 1996/7, 1997/8 and 1998/9 relating to K K Soni International Limited, his own company's sales of ICU branded clothing, saying this amounted to approximately , 520,000, , 420,000 and , 450,000 respectively. Mr Soni says that combined sales from his company and Lekha Imports Limited for the years 1999/2000 and 2000/2001 amounted to some , 375,000 and , 300,000 respectively. He says that no sales were made by his company in 2001/2 because the company was dormant, but sales of ICU clothing amounting to , 245,000 were made by Lekha. All sales figures for Mr Soni's company and Lekha are based on a percentage of the overall turnover.

13. Mr Soni refers to exhibit SKS5, which consists of a photograph of the exterior of his business premises, the company sign bearing the ICU Aeye@logo. The photograph cannot be dated and Mr Soni does not say when the sign was put in place. Exhibit SKS6 consists of a selection of invoices and sales receipts from the years 1999 and 2000. The invoices mention ICU clothing in the descriptions of the goods, although it is not known which version of the mark this may be. The sales receipts do not mention any trade marks. Mr Soni says that goods bearing the ICU mark have been sold throughout the UK, and substantial amounts have been exported, particularly to Southern Ireland.

14. Mr Soni says that the ICU mark has been advertised on pens , diaries, address books etc., exhibit SKS7 being a 1992 diary for K K Soni fashions Limited, also showing the letters ICU in a line border on the cover.

15. Mr Soni describes his company as generally being a wholesale business, with activity in the recent past directed at ICU branded school wear, but recent expansion will take the mark back into use in respect of jeans, fashion and casual wear. He refers to a letter (exhibit SKS8) from Suzanne H Toner, a Director of F R Monkhouse Limited, which Mr Soni says is a long established company trading primarily in school wear. The letter is dated 4 April 2003 and confirms that for the previous five years, Monkhouse has been purchasing ICU branded school wear from Mr Soni's company and Lekha Imports. The exhibit also includes a print from the Companies House website, relating to Monkhouse, showing the company to have been established in 1938 and trading as a clothing retailer. Mr Soni concludes his statement by giving a summary of the registered proprietors' case as established by the evidence. In his summary Mr Soni says:

Furthermore, the mark as registered has been used by my company during the 1990s and I can confirm, from my own knowledge that there were continuous sales of jeans up to 1996 bearing the trade mark as registered and there were fewer, less frequent sales in 1998 and 1999 as the version of the label showing the mark as registered was being replaced with new designs.

Applicants' evidence Rule 31(4)

16. This consists of a Witness Statement dated 16 July 2003, by Philip Dean Towler, of Frank B Dehn & Co, the trade mark attorney acting for the applicants for revocation in these proceedings.

17. Mr Towler states that on 20 September 2002, he instructed a firm of investigators to look into whether the trade mark registration that is the subject of these proceedings, had been used in the preceding five years. He refers to exhibit PDT1 which consists of a copy of the report resulting from these investigations.

18. The report details various company and historical information relating to the registered proprietors, and contacts made by telephone at trading addresses. In one conversation with a Mrs Soni, the investigator enquired about the name ICU and is purported to have been told that there were still jeans in stock, but that she did not know what makes they were. A further telephone call to the same number was answered by Mr Bobby Soni, who gave the company name as Lekha Imports. Mr Soni is said to have told the caller that they had plenty of stock of ICU jeans, in children's, men's and ladies sizes, there was no minimum order, and that they would cost , 6.00 per pair plus VAT and carriage. The report states that the investigators could send an order to see if the company did, in fact, have any ICU jeans. There is nothing to say whether this was done.

The report continues giving details of the company's activities, although not saying whether this is in respect of ICU branded goods. The report gives its conclusion that it is unlikely that the ICU name has been used in the last 5 years to any effect.

That concludes my summary of the evidence insofar as it is relevant to these proceedings.

Decision

19. The statutory provisions of Section 46 under which this application has been made are as follows:

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;

(c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered;

(d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

(2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(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:

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.

(4) An application for revocation may be made by any person, and may be made either to the registrar or to the court, except that-

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(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.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date."

20. The applicants are seeking revocation of this registration on the basis that it has not been used, or was not used for a period of five years ending 18 December 2002, the date on which the application for revocation was made, and there are no proper reasons for non-use.

21. The judgment of Jacob J in *Laboratories Goemar v La Mer Technology* [2002] ETMR 34 gave the following guidance on the question of the onus in revocation proceedings:

Our Act, sensibly, explicitly requires the trade mark owner, to prove use of his mark when non-use is alleged. Probably that is implicit under the Regulation too, for who is to know most about the details of use other than the owner of the mark? The way the UK Act puts it is in section 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."

22. So the onus in proving that there has been use of the mark within the requirements of Section 46 clearly rests with the registered proprietors.

23. The only evidence showing use of the mark in the form in which it is registered can be found at exhibit SKS2, a pair of jeans (and a photograph of them). The swing tag bears the name Lekha Imports Limited, which in itself is not a problem, Mr Soni has confirmed that that company is an authorised user of the mark. However, as Mr Towler highlights, there is no way of telling whether these jeans were in the market within the relevant five year period; there is no marking on the jeans or labels by which to date them, nor anything to say when the photograph was taken. I am also concerned that the swing tag attached to these jeans is marked ASAMPLE@ which makes it uncertain whether the jeans ever reached the market. As evidence to establish use, the clothing forming exhibit SKS4 suffers from the same deficiencies.

24. The best that Mr Soni gives me is that the logo version as registered was used in relation to jeans up until 1996 (prior to the commencement of the five year window) with Afewer, less frequent sales in 1998 and 1999". This leaves a gap between 1996 to 1998, and 1999 to 2002 in which Mr Soni appears on one hand to be saying that there have been no sales of ICU branded clothing, and on the other, gives turnover figures for these years. This does raise a question as to the reliability of this part of Mr Soni's evidence. But whatever, as I have already said, there is no evidence that establishes use of the mark, in the form it is registered, within the defined five year period, or, I would say, that it has ever been used at all.

25. Although they have not claimed the defence afforded by the provisions of Section 46(2), they have provided details showing use of other marks. Mr Towler has also addressed this question in his submissions. I therefore consider it to be appropriate to go on to consider the question of whether there is any other use that constitutes A...use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered@.

26. Some of the exhibits, such as the invoices shown in exhibit SKS6, the diary in exhibit SKS7 and the letter from Monkhouse forming part of SKS8 all refer to use of ICU, but this does not tell me whether the use is just of the letters, or a logo form, be it one of the versions shown in exhibit SKS3 or some other. Mr Soni's frequent references to the mark having been used Ain many different forms@ does nothing to clarify matters. I cannot simply assume that it could have been any one of the marks shown in SKS3. But even if I were to do so, I do not consider that this would provide any comfort to the registered proprietors.

27. The issue of use of a trade mark in a form other than which it has been registered has been dealt with in several cases, including *R v Bud and Budweiser Budbräu Trade Marks* [2002] RPC 38 and the *Elle* trade mark [1997] FSR 529. In the *Bud* case, Mr Simon Thorley QC, sitting as a deputy judge of the High Court held:

In my judgment this is indicative that the subsection is of narrow scope. Alterations which would be immaterial for the purpose of infringement, in that the alleged infringing mark was confusingly similar to the registered mark, are irrelevant. It is thus necessary for any tribunal seeking to apply section 46(2) to determine what is the distinctive character of the mark and which are the elements that, in combination, contribute to that distinctive character. Thereafter it must enquire whether any alteration to any of those elements is of sufficient immateriality as not to alter that overall distinctive character. In this way the objective of the Directive will be met. In the light of the 8th recital, it cannot be the intention to clutter up the register with a number of marks which differ from each other in very minor respects because the proprietor of an earlier mark has subsequently seen fit to change that mark only in some minor way which nonetheless preserves its distinctive character. There should be no need to reapply for a further mark in those circumstances. On the other hand, where a proprietor wishes to alter his mark or believes that his mark has become sufficiently distinctive in a different form to be registrable in that form, it is right that he should register it in that form and allow the former unused registration to lapse.

28. The logos shown in exhibit SKS3 contain the letters ICU, but having the letters in common with the mark as registered does not mean that they do not differ in their material particulars. Many have other, highly distinctive elements that could stand on their own as trade marks and are clearly different marks. The mark in the form it is registered is not simply the letters ICU. There is a triangle, albeit not usually of itself regarded as distinctive, acting as an outline border for the words *Original Hardwear* and *Works Entrance*. I am aware that the registration contains a disclaimer to the exclusive use of these words, and I have to say that I do not know why. But whatever the reason, in my view the disclaiming of an element does not necessarily mean that the mark can simply be regarded as everything that remains after the disclaimed element has been removed. The reverse can be the case where an element has not been disclaimed. Disclaimers define rights in a mark, not what the mark is, and in this case the manner in which the disclaimer is worded, in combination with the device and the way it is represented is a distinctive element in its own right. Accordingly, I take the view that use of ICU on its own, or with other non-distinctive matter, is not use of the mark as registered, or use in a form not differing in elements which do not alter the distinctive character of the mark in the form in which it was registered.

29. In *Laboratories Goemar v La Mer Technology* case, Jacob J made the following

comment:

AIn the present cases, use was not proved well. Those concerned with proof of use should read their proposed evidence with a critical eye - to ensure that use is actually proved - and for the goods or services of the mark in question. All the t's should be crossed and all the i's dotted.@

30. On my reading the evidence does no more than suggest that there has been use of the mark, but it is a suggestion without any substance behind it. The registered proprietors may have made use of the mark, as registered, within the five year period; I do not know, the evidence is not there. The onus was clearly upon them to prove that they had used the mark, and they have not done so. That being the case, the application for revocation succeeds and the registration will be revoked with effect from 18 December 2002.

31. The application for revocation on the grounds of non-use for the reasons given above succeeds. The applicant is entitled to an award of costs. I order the registered proprietor to pay to the applicant the sum of , 1,500. 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 27th day of February 2004

**Mike Foley
for the Registrar
the Comptroller-General**

ANNEX





