

O-094-04

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 80844
BY STICHTING LODESTAR FOR REVOCATION OF
REGISTRATION No. 2101072 STANDING IN THE
NAME OF BROTHERS DRINKS CO LTD**

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IN THE MATTER OF Application No. 80844 by Stichting Lodestar for Revocation of Registration No. 2101072 standing in the name of Brothers Drinks Co Ltd

Background

1. The trade mark shown below is registered in the name of Brothers Drinks Co Ltd under No. 2101072 for “alcoholic beverages” in Class 33 of the international classification system. It has a filing date of 24 May 1996 and a registration date of 14 February 1997. The mark is:



2. On 20 May 2002 Stichting Lodestar applied for this registration to be revoked. They claim that, within the five year period following the date of completion of the registration procedure, the mark has not been put to genuine use by the proprietors or with their consent in relation to the goods for which the mark has been registered and there are no proper reasons for non-use.

3. Alternatively, it is said that such use has been suspended for an uninterrupted period of five years either in relation to all or some of the goods. Accordingly, the applicants say that the registration should be revoked under Section 46(1)(b) in respect of those goods for which the mark has not been used.

4. The registered proprietors filed a counterstatement. The substance of their defence is contained in the following paragraph which refers to material filed in accordance with Rule 31(2) of the Trade Marks Rules 2000 and which accompanied the counterstatement:

“The evidence illustrates use of the mark in respect of the goods (*alcoholic*) perry. Given that the official stated practice of the UK Trade Marks Office is to regard all alcoholic beverages as “goods of the same description”, the registered proprietor feels entitled to

retain the registration in respect of all of the goods for which it is registered and does not wish to accept a partial surrender of the mark.”

5. Both sides ask for an award of costs in their favour. A number of points arise in relation to costs. I will deal with these at the conclusion of my decision.

6. Both sides filed evidence. Neither side has asked to be heard. Written submissions have been received on behalf of the applicants for revocation from Saunders & Dolleymore, their professional representatives (under cover of a letter dated 8 March 2004).

7. Acting on behalf of the Registrar and with the above material in mind I give this decision.

The Law

8. Section 46 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;
- (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 other 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.”

9. Section 100 is also relevant and 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.”

Relevant dates

10. This action has been brought under sub-sections (1)(a) and (1)(b) of Section 46. As noted above No. 2101072 was filed on 24 May 1996 and completed the registration procedure on 14 February 1997. The relevant period for the purposes of Section 46(1)(a) is 15 February 1997 to 14 February 2002.

11. The applicants have not identified a specific five year period in relation to Section 46(1)(b). I, therefore, take it to be the five years immediately preceding the filing date of the application, that is to say 20 May 1997 to 19 May 2002.

Evidence

12. The registered proprietors filed two witness statements by Matthew Showering, a Director of Brothers Drinks Co Ltd. It emerges from his second witness statement that he and his brothers (who are all co-directors or employees of the company) are all related to the founders of Showerings Ltd, the producers of the well known Babycham perry.

13. The STRAIGHT EIGHT perry product was launched in 1993. Mr Showering says that about £50,000 was spent in designing the logo and artwork and about £700,000 on a substantial marketing campaign between April 1994 and April 1996. Promotional evenings were also staged at selected venues. A photograph of a bar in the North of England taken in about 1995/6 is exhibited to his second witness statement. The mark of the registration is clearly displayed. There is other undated material at MS3 of his first witness statement. Researches undertaken by the applicants suggest (by reference to changes in telephone numbers) that this material is unlikely to be later than 1995. This being the case the evidence I have referred to so far is not of direct assistance to the registered proprietors as it pre-dates both the February and May 1997 dates that are relevant to these proceedings. I mention it solely for the purposes of providing some contextual background to later developments.

14. Mr Showering goes on to explain that the STRAIGHT EIGHT perry was not an immediate commercial success and a decision was taken that the company would instead concentrate on bottling others' alcoholic beverages. That brings me to the nub of the registered proprietors' defence which is that, pending achieving their objective of returning to wider production and sale of the perry product the brand has been sold on a smaller scale at the annual Glastonbury pop festival. Specifically, Mr Showering says in his second witness statement:

“My company has continuously used the trade mark STRAIGHT EIGHT upon alcoholic perry for at least the last 6 years at the Glastonbury festival which is an annual pop festival lasting 3 days and which attracts audiences of over 100,000. It is arguably the best known festival of its kind and would certainly be widely known in the UK within the target age range for my company's products (ie. 18-30). My company owns and operates a mobile bar (BROTHERS BAR) at the festival from which substantial quantities of STRAIGHT EIGHT perry are sold, mostly in draught form. Our STRAIGHT EIGHT trade mark features prominently on the bar in the form [of]“light box” advertisements and price lists. The attached exhibit marked MS1 comprises copies of my company's applications in the years 2000 and 2002, to attend and sell STRAIGHT EIGHT perry at the Festival. The applications mention STRAIGHT EIGHT by name and also indicate my company's previous attendance at the Festivals in 1995, 1997, 1998 and 1999. (There was no Festival in the year 2001).”

15. In support of these claims Mr Showering exhibits:

MS2 - a sample price list as affixed to the mobile bar each year showing the mark STRAIGHT EIGHT in cursive script but without the numeral 8;

MS3 - nine photographs of the bar set-up at the Glastonbury Festival. These include a

number of general shots but also some showing the bar itself and the STRAIGHT EIGHT price list and illuminated advertisements in the form of infinity mirrors. The latter can be seen from a close-up view to have the words DUPLIC8 and a picture of a bottle showing the mark in the form registered.

16. The photographs in MS3 are mainly said to have been taken at the 2003 Festival. Only one of them (an external view of the mobile bar) is from an earlier date (the 2000 Festival). Mr Showering comments as follows:

“Although a lot of the photographs in exhibit MS3 are of recent date, I can confirm that the interior of the bar has remained substantially the same each year it has featured at the Festival. In particular, the STRAIGHT EIGHT price lists have always appeared prominently, the STRAIGHT EIGHT illuminated infinity mirrors have always appeared in the same positions and the STRAIGHT EIGHT promotional clock has always been there as well.

At the festival, the bar is always very busy, with queues of customers often eight or ten deep along the front of the bar. My company has sold a very significant and growing amount of STRAIGHT EIGHT perry at the festival which is why we keep going back each year. We are reluctant to divulge precise figures especially to others who might turn out to be direct competitors. However, I can confidently state that during the last six years our average annual sales values of STRAIGHT EIGHT perry in the United Kingdom have been in excess of £20,000 (twenty thousand pounds sterling).”

17. I should also record two other items that are exhibited to Mr Showering’s first witness statement. These are an invoice dated 18 July 1997 addressed to Morris & Son, Leeds in relation to £4,653 of STRAIGHT EIGHT product (MS1) and a specimen bottle label (MS2). Both emanate from Brothers Drinks in Shepton Mallet.

18. The applicants for revocation filed witness statements by Janice Margaret Trebble and Victoria Anne Cowland, both of whom are registered trade mark attorneys with Saunders & Dolleymore, their professional representatives. Their witness statements contain submissions in relation to Mr Showering’s evidence which I will come to below. They also exhibit the results of two investigations that were commissioned into the registered proprietors’ activities and claims. The investigations were conducted by Farncombe International Limited. In relation to the use primarily relied on by the registered proprietors (the Glastonbury Festival use) the Executive Summary to the investigator’s first report records:

- “Brothers Drinks & Co was formed in October 1993 by Francis Showering and his great-nephews Matthew and Jonathan. The company’s first product was **Straight 8**, an 8% strong, premium perry.
- In 1996 Brothers Drinks & Co were reported to have ceased marketing its own drinks and commenced bottling other major brands such as Metz and Woodies. This appears to have been the case with one exception. The company has continued to produce **Straight 8**

perry for the Glastonbury Festival. **Straight 8** is not available to the general public, sold at any other festivals or marketed in any way.

- For the past six years (apart from in 2001 when the Festival was cancelled) Brothers Drinks has operated a bar, under the name Brother's Bar, at the Glastonbury Festival selling perry. The Brothers Bar has been situated near the Jazz World stage for at least the last two events, held in 2000 and 2002.
- The company's application to sell at the Festival states that they will sell **Straight 8** perry, a product manufactured exclusively for Glastonbury Festival.
- Brothers Bar's perry/pear cider appears to have been quite popular however any consumer comment we have located has invariably referred to perry and not to **Straight 8**.
- Branding is strictly discouraged at the festival. Drinks are served in unmarked paper/plastic cups and we have found no evidence that the mark **Straight 8** is used in conjunction with the product at consumer level."

19. As a result of the further researches conducted the follow-up report confirms attendance levels at the Glastonbury Festival and Brothers Drinks Co Ltd's close association with the Festival. The Executive Summary also records that the organisers have to give approval to traders wanting to sell branded drinks at the festival but do not issue a formal licence.

20. As part of the enquiries undertaken, the investigators contacted the Glastonbury Festival Office and spoke to Mr Dick Vernon, the organiser. On the occasion of the first such contact (this appears to have taken place in or around October 2002) Mr Vernon is reported as saying that:

"... The Festival had exclusive agreements with Julian Temperly (Somerset Cider Brandy Company) and Matthew Clark for the provision of cider and perry to the festival. Matthew Clark also supported the Classical Extravaganza and was therefore in a position to dictate terms. The only exception to the agreement was specifically for Matthew and Jonathan Showering of Brothers Drinks who had attended the festival for about six years. When asked if Brothers Drinks had sold **Straight 8** perry at the Festival he confirmed that they had."

21. When contacted a second time (1 December 2003) Mr Vernon again confirmed that Brothers Drinks sold a perry at the Festival but when:

"... asked if Brothers Drinks had sold their perry at Glastonbury under the brand name **Straight Eight**. He replied "I don't know what they called it"."

but later:

“We asked Mr Vernon if he had to issue a special licence to allow a trader to sell branded drinks at the festival. He replied that he had to approve it, not issue a special licence. When asked if he had approved the sale of **Straight Eight** by Brothers Drinks he stated “I don’t know what brand name they sold it under, I think it probably was **Straight Eight**”. We asked about years prior to 2003 but Mr Vernon simply replied that he could not remember and again suggested we contact Brothers Drinks.”

22. The Executive Summary suggests that Mr Vernon either did not recall precise information or was reluctant to divulge information relating to the period 1998 to 2002.

Applicants’ submissions

23. The main points to emerge from the applicants’ submissions seem to me to be as follows:

- the invoice at MS1 (Mr Showering’s first witness statement) does not show use of the mark as registered or what the goods were;
- the sample label at MS2 (first witness statement) is not dated and there is no evidence it was ever applied to goods or seen by customers;
- the material in MS3 (first witness statement) also pre-dates both the relevant periods;
- the proprietors’ perry product is only available for the duration of the Glastonbury Festival each year and is not more widely available;
- any use that has been shown may be for internal reference purposes only;
- the proprietors do not appear to have paid anything extra to permit the sale of perry under a brand name. Furthermore the Festival organisers do not permit cans, glass bottles or glasses so the brand could not have been advertised in this way;
- the website references refer to the Brothers Bar and perry but not the STRAIGHT EIGHT mark;
- the use shown by the proprietors is outside the relevant periods and does not show use of the mark as registered;
- there are also somewhat inconclusive calculations and submissions relating to the quantity of goods needing to be brought into the Glastonbury site and, I assume by implication, the difficulty of doing so.

24. I have also been referred to *Kabushiki Kaisha Fernandes v OHIM* [2003] ETMR 98 in connection with the need for solid and objective evidence of use and *NODOZ* [1962] RPC1 dealing with the standard of proof required where a single act or a few instances of use are relied

on. Reference is also made to *Adrenalin Trade Mark O/336/99* where it was said that the Registrar would normally expect evidence of use to include financial turnover or profit from sales of goods, expenditure on advertising, details of that advertising, exhibits demonstrating how the mark is promoted and placed on goods.

Decision

25. The registered proprietors have not suggested that there are proper reasons for non-use of their mark. They rely instead on the use outlined above. The European Court of Justice (ECJ) has given guidance on what constitutes genuine use of a trade mark in *Ansul BV* and *Ajax Brandbeveiliging BV (Minimax)* [2003] RPC 40:

“36. ‘Genuine use’ must therefore be understood to denote use that is not merely token, serving solely to preserve the rights conferred by the mark. Such use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin.

37. It follows that ‘genuine use’ of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability vis-à-vis third parties cannot continue to operate if the mark loses its commercial *raison d’être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Article 10(3) of the Directive, by a third party with authority to use the mark.

38. Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark.

39. Assessing the circumstances of the case may thus include giving consideration, *inter alia*, to the nature of the goods or services at issue, the characteristics of the market concerned and the scale and frequency of use of the mark. Use of the mark need not, therefore, always be quantitatively significant for it to be deemed genuine, as that depends on the characteristics of the goods or service concerned on the corresponding market.

40. Use of the mark may also in certain circumstances be genuine for goods in respect of which it is registered that were sold at one time but are no longer available.”

26. In *La Mer Technology Inc and Laboratoires Goemar SA*, Case C-259/02, the ECJ reaffirmed the above principles in its Order of 27 January 2004 and emphasised that:

“When it serves a real commercial purpose even minimal use of the mark or use by only a single importer in the Member State concerned can be sufficient to establish genuine use within the meaning of the Directive.”

27. I also note from this latter case that the ECJ held that:

“While First Directive 89/104 makes the classification of use of the trade mark as genuine use consequential only on consideration of the circumstances which pertain in respect of the relevant period and which predate the filing of the application for revocation, it does not preclude, in assessing the genuineness of use during the relevant period, account being taken, where appropriate, of any circumstances subsequent to that filing. It is for the national court to determine whether such circumstances confirm that the use of the mark during the relevant period was genuine or whether, conversely, they reflect an intention on the part of the proprietor to defeat that claim.”

28. The evidence in this case seems to me to establish beyond any reasonable doubt that the proprietors have conducted a trade at the Glastonbury Festival each year since 1997 with the exception of 2001 when the Festival did not take place. The investigations conducted on behalf of the applicants largely corroborate Mr Showering’s account of the position. Issues arise as to whether a trade which exists only for a matter of a few days each year constitutes genuine use; if it is, whether such use has been substantiated in this case; and whether that trade has been conducted under the mark as registered.

29. The ECJ has been at pains to emphasise that all relevant circumstances must be taken into account including the nature of the goods and the characteristics of the market concerned. Implicit in the ECJ’s statements is a recognition that there is no single business model against which genuine use can be tested. Use is not necessarily to be considered less than genuine simply because it is conducted on an occasional or irregular basis. It is not difficult to think of businesses which would fall into this latter category, for instance, the merchandising of goods related to one-off or occasional sporting events, royal occasions, sales of seasonal produce or large items of capital equipment.

30. It is, I think, rather more unusual for a consumer item such as perry to be the subject of occasional sales. It may be said that there was no absolute impediment to the proprietors marketing their perry outside the narrow scope of the Glastonbury Festival. But that is the manner in which the registered proprietors have chosen to exploit their mark once the initial attempts to reach a wider audience did not meet with immediate commercial success. I can see no good reason why that trade should not be considered on its merits. The evidence is that within the relevant periods (2001 excepted) the registered proprietors have been regular attendees at the Glastonbury Festival and on each occasion have offered their STRAIGHT EIGHT product. There is no suggestion that what the proprietors have been doing is sham use or not genuine in the sense that the trade was purely conducted with a view to keeping the registration alive. It

may be a trade of unusually limited scope and duration. It may even be said to be opportunistic. But that does not in itself take it outside the scope of what may be considered to be genuine use.

31. It may also be said that, in terms of the generality of the claim, the registered proprietors' trade is modest in scale certainly when considered within the context of the alcoholic drinks business. Mr Showering says that average annual sales have been in excess of £20,000. Where an average figure is being relied on it would be helpful to know on what basis (mean, median or mode) it has been put forward. But the sum concerned here is by no means negligible and is clearly of sufficient value to the proprietors that they find it worthwhile to return to the Festival and conduct the trade each year.

32. In De Rigo's application to revoke a mark standing in the name of R Mahtani, O-394-03, the Appointed Person said on appeal:

“As the hearing officer rightly said in paragraph 32 of his decision, there is no specific evidence as to the nature and size of the appellant's undertaking, but taking the evidence as a whole it is reasonably clear she is a sole trader in a small way of business. It is proper to consider the scale of use proved in that light.”

33. *Laboratoires Goemar* (referred to above) was another case where relatively small sums of money were involved (a matter of a few hundred pounds worth of goods in each of the Classes involved). It is clear that a trade has taken place in this case and that the nature and extent of that trade must be considered within the context of the business in which the mark is used.

34. Nevertheless the English Courts have emphasised the need for registered proprietors to prove their case with great care particularly where a few items or small amounts of use are relied on (see *Philosophy Di Alberta Ferretti Trade Mark* [2003] RPC 15 and *Laboratoires Goemar SA's Trade Marks* [2002] ETMR 34).

35. It seems to me that this is a somewhat unusual business in that it does not readily lend itself to an audit trail of invoices, advertisements, delivery notes or other such documentation. On the evidence before me the proprietors produce the goods themselves and operate from a mobile bar that they own and which is equipped solely for the purposes of trade at the Glastonbury Festival. It is the sole outlet point for the perry. The existence of the 'Brothers Bar' is well established by the evidence including the applicants' own evidence. Sales are, therefore, direct to attendees at the Festival and are (on a reasonable assumption) for cash. No invoicing would appear to be involved. It also follows that there is no need for wider advertisement of the product. The existence of the bar on site at Glastonbury is sufficient to bring supplier and customer together. Indeed it is reasonable to suppose that the Festival attracts regular attenders, some of whom will look for the Brothers Bar each year (thus creating and maintaining a market per *Ansul*).

36. In my view, therefore, the applicants' criticism of the lack of certain types of documentation is misplaced in the context of this particular business. Furthermore, according to their own (or their investigator's) evidence branding is discouraged at the Festival. In fact the applicants seek to turn this to their advantage by claiming that the registered proprietors have not

shown that they had a special licence to sell a branded drink. This latter point seems to me to lead nowhere. Mr Vernon, the organiser, appears to say no more than that he needed to approve the sale of branded goods not that any special licensing scheme was in force. The hearsay report of the investigator's conversation with Mr Vernon suggests he was aware of the branding in use at the Brother's Bar. Indeed the registered proprietors' trader's application for the 2000 event (Exhibit MS1 to Mr Showering's second witness statement) openly describes the product to be offered as:

“Straight eight – premium quality, locally produced perry”.

37. Moreover, it is difficult to see how traders can be expected to operate if they are unable to display their product branding. If you are selling Coca Cola you presumably want potential customers to be made aware of that fact. It may be that more general advertising outside the confines of individual bars, stalls etc. is discouraged or subject to control but that is not explained in the evidence. It would, however, be consistent with the investigator's finding that drinks are served in unmarked paper/plastic cups. I will return to the nature of the branding used in relation to the proprietors' business below.

38. The applicants also refer to the absence of any reference to the brand in various comments by third parties posted on websites. I do not find this particularly surprising. It is clear that the contributor to the www.freakytrigger.co.uk website is aware of the Brothers Bar and that it sells perry. There was no particular reason why he should have mentioned a brand name and no adverse inference should be drawn from the fact that he did not.

39. That brings me to what is arguably the high point of the applicants' case which is whether the use shown is of the mark in the form in which it is registered; whether it is within the relevant time frame; and whether, even if these points are met, it is purely internal use. The last point can be easily disposed of. There is enough external use and recognition of STRAIGHT EIGHT in the evidence to establish that this is not simply some internal name or codification. The mere fact that this is not a brand that requires widespread advertising does not mean that the use shown is purely for the benefit of the internal workings of the proprietors' business.

40. The applicants' criticisms as to the mark used and whether the use was within the relevant periods require further examination and comment. The examples of use of the mark are admittedly thin on the ground. Again, that is in part a reflection of the nature of the proprietors' business. I remind myself that the mark in issue consists of a large numeral 8 with the words STRAIGHT EIGHT written in upper and lower case and in a cursive script across the centre of the numeral. That precise mark is shown in the specimen label exhibited at MS2 to Mr Showering's first witness statement. However, as the applicants point out, there is difficulty dating that label and it may well date from the earlier period when the proprietors were attempting to introduce the product on a wider commercial front. I bear in mind also that labels are likely to be used on cans or bottles whereas Mr Showering says that sales from the Brothers Bar are mainly in draught form. Furthermore, the strength of the product appears to have varied over the years. The small print on the label shows '8% vol' whereas the Brothers Bar signage shows '7% ABV'.

41. The only item from Mr Showering's first witness statement that can confidently be dated is the invoice at MS1 (dated 18 July 1997) addressed to Morris & Son, Leeds. The reference on the invoice is, not unexpectedly, to the words STRAIGHT EIGHT rather than the composite mark. That is also true of a number of the exhibits to Mr Showering's second witness statement. Thus the trader's application form for 2000 (MS1) and some of the Brothers Bar signage display the words STRAIGHT EIGHT in cursive script form but not with the numeral 8. A question, therefore, arises as to whether such use is "in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered" (Section 46(2)).

42. In *Budejovicky Budvar Narodni Podnik and Anheuser-Busch Inc* [2003] RPC 25 Lord Walker of Gestingthorpe approached this matter by posing the following question:

"The first part of the necessary inquiry is, what are the points of difference between the mark as used and the mark as registered? Once those differences have been identified, the second part of the inquiry is, do they alter the distinctive character of the mark as registered?"

In answering these questions he said:

"The Hearing Officer uses his skill and experience to analyse and assess the likely impact of the mark on the average consumer although the latter probably does not himself engage in any analysis of that sort."

Lord Walker added that:

"It is of course correct that the 'central message' of a mark is not the statutory test, and it is not always helpful to paraphrase a statutory test before applying it. But as the Court of Justice observed in *Lloyd Schuhfabrik*, the average consumer normally perceives a mark as a whole, so that 'central message' may not be too bad a paraphrase, so long as it is understood as comprehending the essential 'visual, aural and conceptual' qualities which combine to give a mark its distinctive character."

43. I have little doubt that the numeral 8 makes a significant visual contribution to the mark as registered. I do not know whether it was intended to refer (originally at least) to the alcoholic strength of the perry but if that was the case the linkage has since been broken. It may well be the case that the presence of the numeral is seen as reinforcing the message conveyed by the words (or vice versa) but that does not detract from the significant and dominant visual impression formed by the presence of the numeral. If or to the extent that the registered proprietors rely on use of the words alone then that is not in my view use that brings them within Section 46(2).

44. The series of photographs at MS3 of Mr Showering's second witness statement show both the Brothers Bar in its Festival setting, the inside of the bar itself and the pumps, signage and supporting promotional material. Photographs 'g' and 'h' show the infinity mirrors referred to by Mr Showering in their bar context. Photograph 'j' shows a bottle with the STRAIGHT EIGHT logo in the form in which it is registered applied to a picture of a bottle. There is other

matter (DUPLIC 8) but it is neither on the bottle itself nor presented as if it were part of a composite mark. The usage on the bottle is clearly of the mark in the form in which it is registered.

45. The difficulty for the registered proprietors with this material is that, with one unimportant exception, all the photographs were taken in 2003 which is after the relevant periods. However, Mr Showering makes the following important statement:

“Although a lot of the photographs in exhibit MS3 are of recent date, I can confirm that the interior of the bar has remained substantially the same each year it has featured at the Festival. In particular, the STRAIGHT EIGHT price lists have always appeared prominently, the STRAIGHT EIGHT illuminated infinity mirrors have always appeared in the same positions and the STRAIGHT EIGHT promotional clock has always been there as well.”

46. That is a clear statement that the items displaying the registered mark have always been part of the promotional paraphernalia of the bar. The applicants can say with some justification that the items on which such use is shown are small in number. At the risk of repeating myself that is attributable largely to the nature of the business. The product available at the Festival is mainly sold in draught form and the cups that it is sold in do not carry branding (and may not be allowed to carry branding). However, the positioning of the infinity mirrors behind the bar means that the mark is exposed and highly visible to all who come to the bar for drinks. Taking into account all the circumstances of the trade, the characteristics of the mark and the fact that even minimal use may be sufficient, I find that there has been genuine use of the mark.

47. It is clear from the evidence that that use has been in relation to a single product, namely perry. In this respect the registered proprietors say in their counterstatement:

“..... given that the official stated practice of the UK Trade Marks Office is to regard all alcoholic beverages as “goods of the same description”, the registered proprietor feels entitled to retain the registration in respect of all of the goods for which it is registered and does not wish to accept a partial surrender of the mark.”

48. I do not believe that that is the right way to approach the matter. Since the registered proprietors’ counterstatement was filed, there has been guidance from the Court of Appeal on how to arrive at a fair specification when there has been use of a mark but not necessarily in relation to all the goods of the registration. It came in *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32. Aldous LJ reviewed a number of cases which had dealt with this issue and indicated as follows:

“Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox’s Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox’s Orange Pippins?”

Pumfrey J. in *Decon*¹ suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use."

49. The alcoholic beverages market, even restricting consideration of it to those goods in Class 33, covers a wide range of goods, such as spirits, cocktails, wine etc. which consumers would consider to be quite different in character. The registered proprietors' wish to retain such a broad term is in my view wholly unrealistic. In fact I believe that the notional consumer would consider the sale of perry to be a distinct area of trade in its own right. Being a fruit (pear) based beverage it may share certain similarities with cider but I struggle to think that consumers would aggregate such goods in their mind.

50. In *West (t/a Eastenders) v Fuller Smith & Turner Plc*, [2002] FSR 55 and [2003] FSR 44, the Courts considered whether a mark registered for 'beer' should be cut down in the light of use on bitter beer only. The trial judge had held that:

"I take the evidence as a whole as establishing that the two types of beer are commercially quite different. Beer drinkers in the main drink either lager or bitter, but not both. There is little overlap of trade marks between those two classes. The class of articles represented by "beer" has a number of significant sub-sets of which "bitter" is only one. Non-use is established in relation to the rest."

51. On appeal the Court of Appeal held that this was a finding that the relevant consumers are accustomed to seeing lager and bitter bearing different marks and that the judge's conclusion could not be successfully challenged.

52. I have not been asked to consider some narrower category of goods between alcoholic beverages at large and perry which would represent a fair specification. Nor can I think of one. Perry seems to me to be a perfectly natural and satisfactory term to use looked at from the perspective of the trade and the consumer. Accordingly the registration will be revoked under the provisions of Section 46(5) in respect of all goods except 'perry'. In accordance with Section 46(6) the revocation will take effect from 14 February 2002, this being the relevant date in relation to the attack under Section 46(1)(a).

¹ *Decon Laboratories Ltd v Fred Baker Scientific Ltd* [2001] RPC 293

Costs

53. The applicants have been largely successful in having the registered proprietors' broad specification cut down to a single item though, on my reading of the papers, they never conceded use in relation to perry and argued for full revocation. By the same token the registered proprietors' counterstatement claims that the action was launched without warning but they have not offered to reduce their specification. An award from the normal scale of costs would, on the basis of these circumstances, have resulted in an award of £2000 in favour of the applicants taking account of the investigations that were conducted.

54. I have been asked to consider two further circumstances. The first is a reference in the applicants' written submissions requesting an opportunity to provide 'documentation' to be used in assessing costs. Prior to the issue of this decision the applicants' attorneys were contacted by the Registry's Law Section in relation to this request, as a result of which I understand it to be a reference to correspondence between the parties which the applicants consider should be taken into account. In the event the applicants' attorneys elected not to file this material which may in any case relate to without prejudice negotiations. I can take no cognisance of this correspondence.

55. The second matter relates to a piece of evidence that was in the event withdrawn by the registered proprietors. The document itself is not, of course, before me but I understand it was a single invoice containing the phrase "Duty paid destruction 2205". Correspondence from the registered proprietors' attorneys (Wildbore & Gibbons' letter of 10 January 2003) subsequently indicates that the invoice related to goods which had passed their "sell-by" date but which were eligible for a refund of duty paid. It seems from this that the goods concerned probably never reached the market and the invoice was unlikely, therefore, to further the proprietors' case. The proprietors say that the inclusion of the invoice was an innocent error. I accept that that was the case. The issue is whether the inclusion of the invoice in the proprietors' evidence occasioned the applicants' additional expense and delay and whether they are entitled to an award of costs reflecting such a state of affairs. The applicants have submitted a debit note setting out their claim as follows:

"Receiving and noting counterstatement and supporting evidence (September 2002); correspondence with registered proprietor's attorneys in order to establish meaning of part of evidence filed (October 2002); conducting further commercial investigation based on evidence filed (October 2002); sending reminder correspondence to registered proprietor's attorneys (November 2002); receiving and noting results of investigation and preparing draft witness statement; filing draft witness statement and EOT request at Trade Marks Registry (December 2002); receiving and noting correspondence from Trade Marks Registry advising that evidence and counterstatement being withdrawn/amended (January 2003); amendment of draft witness statement to take account of this."

56. The pro forma invoice is in the sum of £885.

57. Costs before the registrar are governed by Section 68 of the Trade Marks Act 1994 and Rule 60 of the Trade Marks Rules 2000. It has long been accepted that the registrar has a wide discretion in relation to costs awards (see *Rizla Ltd's Application* [1993] RPC 365 and Tribunal Practice Notice TPN 2/2000 paragraph 3 et seq).

58. The withdrawn invoice was one of two invoices making up exhibit MS1 to Mr Showering's first witness statement. The witness statement contained two other exhibits. There was a brief statement to the effect that the main sales of goods under the mark are made each year at the Glastonbury Festival. The investigations commissioned into the use claimed were initiated by letter dated 17 October 2002 to Farncombe International (Exhibit CBJ1 to the investigator's report which is itself an exhibit, JMT2, to Mrs Trebble's evidence). Concurrently (that is on the same day) with commissioning investigations, the applicants' attorneys wrote to the registered proprietors' attorneys inviting an explanation of the invoice. I do not get any sense that the investigation was triggered by the uncertainty about the invoice. The likelihood is that it would have been commissioned anyway. The investigator's first report is almost exclusively devoted to wider investigations and makes fleeting reference only to the invoice.

59. Nevertheless it appears that a draft of Mrs Trebble's witness statement contained two paragraphs dealing with the possible significance of the invoice (attorney's letter of 13 December 2002 requesting an extension of time). These paragraphs were later withdrawn when the invoice itself was removed. The amendments required to Mr Showering's first witness statement were minimal and no change was required to the counterstatement (other than a re-dating).

60. Making the best I can of the matter it seems to me that there has been some additional work and delay as a result of the withdrawn invoice but that it did not in itself materially influence the applicants' conduct of the case. I will increase the award in favour of the applicants by £100 to take account of these circumstances. I, therefore, order the registered proprietors to pay the applicants the sum of £2100 in total. This sum is 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 31st day of March 2004

M REYNOLDS
For the Registrar
the Comptroller-General