O-142-04

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK REGISTRATION NO. 2313974 IN THE NAME OF STEVEN WATMORE

AND

IN THE MATTER OF APPLICATION FOR A DECLARATION OF INVALIDITY NO. 81463 THERETO BY TESTAMENT CLOTHING COMPANY LIMITED **IN THE MATTER OF** trade mark registration No. 2313974 in the name of Steven Watmore

AND

IN THE MATTER OF application for a Declaration of Invalidity No. 81463 thereto by Testament Clothing Company Limited

BACKGROUND



1. The trade mark was the subject of an application for registration filed on 23 October 2002 and has been registered since 2 May 2003 under number 2313974. It stands in the name of Steven Watmore and is registered in respect of:

Class 25: Clothing, footwear, headgear.

2. On 13 October 2003, Testament Clothing Company Limited (subsequently referred to as Testament) filed an application for a declaration of invalidity of the registration. The action was filed on Form TM26(I) together with the appropriate fee. The statement of case accompanying the application set out the grounds of action, which are as follows under sections 47(1) and 3(6) of the Act and under sections 47(2)(b) and 5(4)(a) of the Act.

3. In the statement of case the applicant, Testament, asserted that the trade mark had been applied for in bad faith, the registered trade mark being identical to the unregistered trade mark used by Testament on identical goods; that the registered proprietor was fully aware of the unregistered trade mark used by Testament as Steven Watmore was a director of Testament between March 2001 and December 2001 and that in a letter dated 26 May 2003, a copy of which was **not** attached to the statement of case, Steven Watmore proposed that Testament purchase the registered trade mark from him. Also, Testament asserted that they were entitled to protection of the unregistered mark as there existed goodwill and reputation in the mark for goods that are identical to those for which the trade mark is registered.

4. On 12 November 2003 a copy of the application for the declaration of invalidation and the statement of case were sent to the address for Steven Watmore recorded on the register. The documents were sent by recorded delivery but returned by Royal Mail marked "gone away" in hand writing and "addressee unknown" on the official stamp. The forms were then resent by normal mail to the same address. Steven Watmore did not file a counter-statement to defend his registration. The consequences of failure to defend

the registration were set out in the letter dated 12 November 2003, namely that the application for declaration of invalidity could be granted in whole or in part.

5. It does not however follow that the uncontested nature of this action will automatically mean success for the applicant for declaration of invalidity and failure for the registered proprietor. The onus in these circumstances is on the applicant for the declaration of invalidity to make the case that the registration should be declared invalid.

6. I am mindful of the decision in the *Firetrace Case* (BL 0/278/01) where the Hearing Officer stated:

"It is not sufficient to simply allege that a registration offends either Section 46 or 47 of the Act without doing more to prove that the allegation has substance. That said, when an application for revocation (other than non-use) or invalidation is made and the registered proprietors choose not to respond to such a request, I do not think that it is necessary for the applicants in those circumstances to have to fully substantiate their allegations beyond providing evidence which supports a prima facie case."

7. The reason that the Hearing Officer arrived at this view is the statutory presumption in Section 72 of the Act which states:

"In all legal proceedings.....the registration of a person as proprietor of a trade mark shall be prima facie evidence of the validity of the original registration and of any subsequent assignment or other transmission of it."

8. With this in mind, on 5 February 2004, the Trade Marks Registry wrote to Testament's representative [Warner, Goodman & Streat] inviting them to file any evidence or make any submission which they felt would support their client's application for declaration of invalidity to, at the least, establish a prima facie case. They were also invited to state whether they wished to be heard or would accept a decision from the papers filed. This letter set the period for the filing of such evidence, which expired on 18 March 2004.

9. No evidence or submissions were filed by Testament and on 24 March 2004 the applicant for the declaration of invalidity requested an indication of when the decision would be issued.

10. Acting on behalf of the Registrar and after a careful study of the papers before me I give the following decision.

DECISION

11. The applicant for the declaration of invalidity, Testament, claims that the registration should be declared invalid as per section 47 of the Act on the basis of the provisions of sections 3(6) and 5(4)(a). The relevant parts of the Act are as follows:

"47. - (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) The registration of a trade mark may be declared invalid on the ground-

(a) ..., or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration."

"3 (6) A trade mark shall not be registered if or to the extent that the application is made in bad faith."

- "5. (1)
- (2)
- (3)

(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

 $(b)\ldots$

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

12. First, I dismiss the application for the declaration of invalidity in so far as it is based upon sections 47(1) & 3(6) of the Act. No evidence has been provided by Testament, certainly no evidence that the registered proprietor acted in any way below acceptable commercial standards, see Lindsay J in *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 (at page 379). In the statement of case Testament asserts that, for the reasons given in paragraph 3 above, Steven Watmore acted in bad faith

however none of these assertions have been substantiated in evidence. The letter, from Steven Watmore to Testament offering to sell the trade mark rights, referred to in the statement of case was not provided to the Trade Marks Registry but would, of itself, have been unlikely to be determinative of the case. In the statement of case Testament refers to this letter as having ". . . as an option the prospect of purchasing the Registered Trade Mark from him for a sum of £6,000.". It therefore appears to me that this option may have been part of a wider ranging discussion with this as one potential resolution to the case.

13. With regard to the ground of action based on section 5(4)(a) of the Act the requirements for this ground of action have been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *Wild Child* trade mark [1998] RPC 455. Adapted to these proceedings, the three elements that must be present can be summarised as follows:

(1) that the applicant's goods have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the registered proprietor (whether or not intentional) leading or likely to lead the public to believe that goods offered by the registered proprietor are goods of the applicant, and

(3) that the applicant has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the registered proprietors' misrepresentation.

14. In this instance no evidence, whatsoever, has been submitted to any of the elements which must be present and there is therefore nothing to substantiate this ground of action. Therefore I dismiss the application in so far as it is based upon sections 47(2)(b) & 5(4)(a) of the Act.

15. In these proceedings the application for declaration of invalidity has, for the reasons given, failed on all of the grounds of this case. I therefore make no order as to costs.

Dated this 20th day of May 2004

Graham Attfield For the Registrar the Comptroller-General