

O-342-06

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 81931  
BY PAN WORLD BRANDS LIMITED  
FOR REVOCATION OF TRADE MARK NO. 2114931  
IN THE NAME OF TRIPP LIMITED**

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in the name of Tripp Limited**

### **BACKGROUND**

1. No. 2114931 is for the trade mark EXTREME and is registered in respect of the following range of goods in Class 18:

Luggage; travelling bags; travelling sets; handbags; purses; wallets; document covers; document cases; articles of leather; articles of imitation leather.

2. The registration currently stands in the name of Tripp Limited.

3. By an application dated 10 November 2004, Pan World Brands Limited applied for the registration to be revoked under the provisions of Section 46, subsections (1)(a) and (1)(b), on the basis that the trade mark has not been put into genuine use in relation to the goods for which it is registered, either by the registered proprietors or with their consent, and there are no proper reasons for non-use.

4. In a Counterstatement filed on 17 February 2005, the registered proprietors claim that under the previous name of Equator Plc, the mark was used in respect of a range of goods in Class 18 from 1997 to 2001, specifically mentioning “holdalls and other bags”.

5. Both sides ask that an award of costs be made in their favour.

6. Only the registered proprietors filed evidence in these proceedings, which, insofar as it may be relevant to these proceedings I have summarised below. The matter came to be heard on 20 June 2006, when the applicants were represented by Mr Michael Edenborough of Counsel, instructed by Barlin Associates, their trade mark attorneys. The registered proprietors were represented by Mr David Moore of Jensen & Son, their trade mark attorneys.

### **Registered proprietors evidence**

7. This consists of two Witness Statements. The first is dated 16 February 2005, from Mr David Moore, a trade mark attorney who has acted for Tripp Limited since July 2001.

8. Mr Moore says that the registered proprietor was incorporated in July 1988 under the name Banecourt, and is a wholly owned subsidiary of Tripp Holdings Limited, a UK based designer and retailer of high quality luggage and travel goods. He says that the company commenced trading in luggage around 1990, although not that this involved use of the subject trade mark. He recounts the corporate history, detailing the changes of name through to the present, which are confirmed in the extract from the Companies House records shown as Exhibit DM1.

9. Mr Moore goes on to say that Tripp grew into one of the UK's largest suppliers of luggage, bags and accessories to the middle market, operating for in excess of 12 years through concessions operated in the 100 plus Debenhams stores under an exclusive arrangement. In addition, Mr Moore says that Tripp operates 7 stand-alone factory outlets within the UK and Ireland.

10. Mr Moore goes on to address the use of the EXTREME trade mark, describing it as "an important product brand for Tripp from 1997 to 2000", being used in relation to "at least luggage and bags", the use of the mark being discontinued in 2001 due to quality problems with the supplier. He refers to Exhibit DM2, which he says consists of a poster used to advertise an EXTREME holdall in 2001 at a price of £35, stating that this "would at the very least have been displayed in the company own shops and in Debenhams stores". He also says that he believes the poster would have been used in the national press but does not give any details such as where and when, and the poster itself does not bear any indication of this.

11. Mr Moore says that the registered proprietors' sales of the EXTREME brand of luggage reached throughout the UK. He refers to Exhibit DM3, which consists of various documents that appear to relate to orders for items of luggage, including EXTREME branded holdalls, some of which are shown as having been intended for Debenhams. The documentation consists of "pick lists" which, where dated, show them to be from the period September 2000 to June 2001, and an "archive order enquiry" dating from February 2002.

12. The second Witness Statement is dated 20 November 2005, and comes from James McDiarmid, Managing Director of Tripp Limited, a position he has held since January 2001. The Statement is in response to a letter dated 23 May 2005 from the applicants' representatives, in which they comment on the registered proprietors' evidence. Mr McDiarmid confirms that the poster shown as Exhibit DM2 was used as point-of-sale advertising in both the Debenhams concessions, and at company shops in the period January to the summer of 2001. He further says that the reference to "LMI" in the dispatch notes relates to Luggage Manufacturing International, an operating division of Tripp Ltd. He says that these documents are illustrative of the shipments which he estimates in 2000-2001 to have been in the order of several hundred thousand pounds. He denies that Tripp has abandoned the EXTREME trade mark, stating that since late 2004 they have been designing a new range of luggage to carry the name, and due to be launched in 2006, although does not provide any corroborative evidence.

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

## **DECISION**

14. The application is based upon Section 46(1)(a) and (b), which read 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 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.”

15. In their submissions, the agents representing the registered proprietors refer to the applicants having made investigations into their clients’ use of the mark, but not having filed any evidence, instead relying on the reversal of the burden of proof in accordance with Section 100. I am not entirely sure what is meant by this; it may be a reference to the change brought about with the introduction of the Trade Marks Act 1994, which placed the onus of showing that the mark in question has been used, or that there are proper reasons for non-use with the registered proprietors. Previous legislation put this onus with the attacking party. Section 100 of the Act reads as follows:

"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."

16. The requirement placed upon the registered proprietors is to “show” what use has been made of the mark, which suggests that the evidence required by Rule 31(A) must be more than mere assertion that the mark has been used; it must be actual evidence which shows how the trade mark has been used. See *Carte Bleue* [2002] RPC 31. Mr Edenborough referred me to the *Hiwatt* case, [2003] ETMR 98, in which the CFI took the following position:

“In that regard it must be held that genuine use of a trade mark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned.”

17. Section 46(1) refers to “genuine use” having been made of the registered trade mark within specific periods of five years. In the case of subsection (a) the period is five years following the date of completion of the registration procedure, and for subsection (b) the period can be any five years, and not just the five years leading up to the filing of the Application. See *La Mer Technology Inc v Laboratoires Goemar SA’s* trade mark case 2004 WL 2945720. These periods must be considered in relation to the proviso contained within Section 46(3), which reads as follows:

“(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.”

18. The effect of Section 46(3) is not to extend the five-year period by three months. After a

period of inactivity the use must commence after the expiry of the five years specified in the Application, but need not immediately follow, and will end with the Application for Revocation. But if the proprietor commences (or makes preparations) to use the mark after the expiry of the specified five year period, but within the three months immediately preceding the Application, the use will be disregarded, that is, unless the registered proprietors had been unaware of the potential Application. See *Philosophy Di Alberta Ferretti* [2003] RPC 15.

19. The Act refers to “genuine use” having been made of the trade mark but does not set out what constitutes use that is genuine. There appears to be no dispute in the relevant law, with both parties referring me to Case C-40/01, *Ansul BV v Ajax Brandbeveiliging BV* [2003] RPC 40 in which the European Court of Justice answered the question of what constituted “genuine use” in the following terms:

“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 the 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 that have another origin.”

20. The *Ansul* decision stated genuine use 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. Such use must be in relation to goods or services that are already on the market, or about to be marketed and or for which preparations are underway to secure customers, for example, by means of advertising. The *Bud* Trade Mark case [2002] RPC 38 at paragraphs 41 and 42 gives some useful, albeit limited guidance on advertising. The assessment of whether there has been genuine use must take into account all of the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, and may 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; the use need not always be “quantitatively significant” for it to be deemed genuine.

21. In the *Police* trade mark case [2004] RPC 35, the Appointed Person considered that the *Ansul* judgment did not limit the factors to be taken into account in establishing whether use was genuine only to the three areas specifically mentioned. The judgment had stated that all facts and circumstances relevant to establishing whether there had been real commercial exploitation should be included in the equation, and that the size of a proprietor’s undertaking may be relevant.

22. Further guidance on the scale and frequency of use can be found in the *La Mer Technology Inc* case, a decision of a resumed appeal hearing following a reference to the ECJ on various questions relating to the meaning of “genuine use”. In his decision Blackburne J stated:

“31. Whether in any given case the proven use amounts to genuine use ("whether the commercial exploitation of the mark is real" as paragraph 38 of *Ansul* puts it) will depend on all of the facts and circumstances relevant to establishing such a state of

affairs, including the characteristics of the market concerned and of the products or services in question, and the frequency or regularity of use of the mark. Even minimal use will be sufficient if, in the market concerned, the proven use is considered sufficient to preserve or create a market share for the goods or services protected by it. Thus, the sale or offering for sale (in, say, a trade magazine) of a single exceedingly costly and highly unusual item carrying the mark in a specialised market, for example a very large and complex piece of earth-moving equipment, may very well be considered by itself to be sufficient in the market for such equipment to preserve or create a market share for items of that kind which carry the mark whereas the sale of a low priced everyday product in a widespread market, for example a single jar of face cream bearing the mark or the exposure for sale of, say, half a dozen such jars for sale on a shop shelf, would almost certainly not be. It would be irrelevant to this conclusion that, in the latter example, the purpose of the proprietor of the mark (or of some third-party acting with the proprietor's consent) when offering the jar of cream for sale was to create a share in the market for face cream sold in jars bearing the mark."

23. Mr Justice Blackburne referred back to the decision of Jacob J in the earlier part of the appeal:

"15. Jacob J himself ventured an answer to those questions. At paragraph 29 of his judgment ([2002] FSR 51 at [29]) he said this:

"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 enquire whether that advertisement was really directed at customers here. ...

Nor do I think that the absence of a *de minimis* rule significantly affects the policy behind the legislation. Yes, marks must be used within the relevant period, but there seems no reason to make a trader who has actually made some small, but proper, use of his mark, lose it. Only if his use is in essence a pretence at trade should he do so. And of course, if he has only made limited use of his mark it is likely that the use will be only for a limited part of his specification of services. If he has a wider specification, that can and should be cut back to just those goods for which he has made use ..."

24. Mr Edenborough made a number of criticisms of the evidence provided by the registered proprietors. In relation to Exhibit DM2 he argued that the claim to the poster having been used as point of sale advertising at the registered proprietors' concessions in Debenham's from January to the summer of 2001 cannot be correct because in May 2001 the corporate name was changed from Equator Group to Greenwich Group. I am not sure that Mr Edenborough has found an inconsistency in the registered proprietors' evidence. Mr Moore says that there was a "management buy-in...in May 2001", and that the company changed its name "...at that point in

time”, which suggests that the name change followed the event, but this still means that the poster would have been in use up to May 2001, which to my mind is early summer. Mr Edenborough also submitted that the poster showed use of the mark “EXTREME BY EQUATOR” which is not use of the mark as registered. The registered proprietors dispute this stating that based on *Elle* [1997] FSR 529 and *Bud* [2003] RPC 25, this is use in a form differing in elements that did not alter the distinctive character of the registered mark. The poster clearly says that the use is of the brand EXTREME by an entity trading as Equator; I do not see that the registrar or the public could see it any other way. I therefore take the view that the registered proprietors are correct. However, beyond the claims made in the Witness Statement there is nothing either on the poster or in any of the other evidence that supports that it was actually used when and where it is claimed.

25. Mr Edenborough also argued that an examination of the changes of corporate name support the contention that use of the EXTREME brand started some time around 6 November 1996, the date on which the trade mark was filed, but before 31 January 1997 (or soon thereafter), the time when the company changed its name. Mr Edenborough submitted that “it does not make any sense to advertise a product under the name of a corporate vehicle that its bank has insisted undergoes a management buy-in ... It makes more commercial sense to stop promoting the old, bankrupt name, and to start building up a goodwill in the new, freshly-financed name.”. Mr Edenborough may well be correct, but an assertion based on the argument that something cannot have happened because there is a more sensible alternative does not establish that it did not occur; there is no onus upon an owner of a trade mark to use it sensibly.

26. Where I have some sympathy with Mr Edenborough’s case is in the vague and often uncertain nature of the claims made in the Witness Statements provided by Mr McDiarmud and Mr Moore. To me, statements such as “The poster *would at the very least* have been displayed in the company’s own shops and in Debenhams ... *and I believe* also in the national press...” suggest a degree of guesswork, whether educated or not I do not know because there is no background to these statements. There is a lack of corroborative evidence, be it as Mr Edenborough says, from third party sources such as an officer of Debenhams, or from the archive records of any of the national papers in which the proprietors’ advertised. Beyond the documentation provided in Exhibit DM3 to which I shall come next, there is scant evidence from the company’s own records, and nothing relating to the activities claimed, such as the design of the posters, or the instructions and resulting invoices relating to the placing of publicity in the press.

27. Mr Edenborough criticises the documents shown as Exhibit DM3 on three counts, namely, that if they show use this is internal use, which pursuant to the *Ansul* decision cannot count towards maintaining a registration, that there is no evidence that shows how the mark was used on the products themselves, and that they originate from an entity called LMI, stated to be an operating division of the Greenwich Group Ltd. Mr Edenborough also noted that the deliveries relate to Scotland and Ireland, and if held to be sufficient to maintain the registration, this should be reflected in any specification.

28. I consider there to be substance to Mr Edenborough’s criticisms, but to my mind it is the first of his points that highlights the real problem with the probative value of these documents. Most are described as “picking lists” which I understand to be used by an organisation to compile orders from their stocks. Whilst they contain details that indicate an order is in the process of



being fulfilled, they are clearly internal documents that in all probability would not be seen by anyone outside of the supplying company; I do not know one way or the other and it is not for me to guess.

29. The final documents is headed as being an “Archive Order Enquiry”, and appears to relate to an order placed in February 2001, *inter alia*, for EXTREME holdalls by an un-named customer. The document shows the status “complete” and lists various actions by date, as follows:

Sales Order Entry	Date 14-Feb-01
Start Due	Date 14-Feb-01
Expected De/Booking	Date 14-Feb-01
Allocated	Date 19-Feb-01
Pick Note Printed	Date 19-Feb-01
Pick Confirmed	Date 20-Feb-01
Despatched	Date 20-Feb-01
Actual Delivery	Date
Depot Pod Keyed	Date
Customer Pod Keyed	Date
Invoiced	Date
Cancelled	Date

30. The date against “Despatched” could be taken as showing that the goods listed had been loaded for transportation to the next step in the retail chain, and the status “Complete” as an indication that they had been delivered. However, the absence of details beyond “despatched” could also mean that there was no actual delivery and that the status “Complete” is a reference to the order having been cancelled. Without the support of other paperwork such as invoices or delivery notes, there is nothing that shows that the goods on the pick lists or archived order ever took place. That some of the goods on these documents were described as being EXTREME does not necessarily mean that anyone outside of the company had knowledge of the name, and does not, with any certainty, show use of the mark in a market, be it from manufacturer to retailer, or manufacturer to end consumer. I would agree with Mr Edenborough; these documents cannot, of themselves, maintain the registration.

31. Mr Edenborough attacks Mr McDiarmid’s statement in which he says “*I estimate that sales in 2000/1 were of the order of several hundred thousand pounds*” stating that there is not a single supporting invoice, and no explanation as to why. Mr Edenborough is of course correct, but I am just as, if not more troubled by the fact that the figure given is an “estimate...of the order of...”, with no explanation of the basis on which the estimate was made, and no idea of its accuracy. The explanation given in the written submissions is that the previous management did not keep “accurate” or “complete” records. If neither accurate or complete records are available, what did Mr McDiarmud use as the basis for his estimate?

32. The evidence of use provided by the registered proprietors “suggests” that the registered proprietors have used the EXTREME mark in relation to various holdalls supplied to two traders within the relevant period, but in all areas goes only part way to providing the substance and certainty necessary to draw the inference that the mark has actually been used. There is no conclusive evidence showing that they have brought the mark to the attention of a trader, be it wholesaler or retailer, and a complete absence of evidence showing any use that

would have impacted on the consumer or market. As was stated Mr Justice Wilberforce in the *NODOZ* case [1962] RPC 1 at page 7 line 34 to 41:

“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 conclusive proof. It seems to me that the fewer the acts relied on the more solidly ought they to be established.”

33. I appreciate that this is a case determined under the 1938 Trade Marks Act, but it seems to me to be just as appropriate to the requirements of today’s legislation.

**34. In summary, I determine that the registered proprietors have not used the trade mark within the meaning of Section 46(1)(a) or (b) of the Act, and that the registration should be revoked with effect from 9 November 2004.**

35. The application for revocation having been successful, the applicants are entitled to a contribution towards their costs. I therefore order that the registered proprietors shall pay the applicants the sum of £1,450 towards their costs. 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 5th Day of December 2006**

**Mike Foley  
For the Registrar  
The Comptroller-General**