

O-162-07

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 82061
BY REMYS LIMITED FOR REVOCATION OF
REGISTRATION NO 1580900 STANDING IN THE
NAME OF DOUGLAS & GRAHAME LIMITED**

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By Remys Limited for Revocation of Registration
No 1580900 standing in the name of Douglas
& Grahame Limited**

BACKGROUND

1. Trade Mark No 1580900 is registered in respect of “Articles of outer clothing for men, youths and boys; all included in Class 25; but not including footwear.”

The mark itself is as follows:

REMUS

The registration stands in the name of Douglas & Grahame Limited.

2. On 25 February 2005 Remys Limited applied for revocation of this registration under Section 46(1)(b) of the Act. The amended Form 26(N) that is before me refers to a five year non-use period commencing on 25 February 2000. Revocation is sought with effect from 25 February 2005 and relates to the entirety of the registration. In the alternative the applicant asks that the registration be limited to the goods in respect of which it has been used.

3. The registered proprietor filed a counterstatement denying the non-use claim.

4. Only the registered proprietor has filed evidence. The attorneys acting for the parties indicated that their clients did not wish to be heard in the matter. Written submissions have been received from Barlin Associates on behalf of the applicant. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

Registered proprietor’s evidence

5. Robert Bruce Spence Robertson has filed a witness statement. He is a registered trade mark attorney employed by Ansons who act for the registered proprietor in this matter.

6. He firstly exhibits a copy of the registration certificate relating to the mark (RB1) along with a copy of evidence filed to allow the then application to proceed to

publication on the basis of honest concurrent use (RB2). The combination REMUS UOMO is also protected in the UK and a copy of the registration certificate for that mark is exhibited (RB3). The mark REMUS UOMO has been used and is still in use. Mr Robertson exhibits (RB4) a copy of a witness statement by David Hooks, Financial Director and Company Secretary of the proprietor confirming use of the mark from December 1995 to December 2003. This evidence was initially prepared for use in another set of proceedings between the parties. The substance of that evidence is as follows:

“3. The Trade Mark REMUS was adopted in January 1992 with REMUS UOMO adopted in December 1995 for use with “article of clothing for men, youths and boys” and has been used since that date on such goods both in the United Kingdom and for export to other countries in the European Community, in other European non-Community countries, to countries in Africa and in Asia, to Canada, USA and Russia.

4. The total turnover, at wholesale prices, for each of the last five years is approximately as follows:-

1999	£8,521,500
2000	£9,176,950
2001	£9,076,200
2002	£9,699,990
2003	£9,854,600

5. The amount spent on making known the trade mark REMUS, REMUS UOMO, REMUS UOMO O2 and O2 REMUS UOMO (the trade marks) has amounted to £842,370 over the same five year period.

6. I attach hereto marked Exhibit DH1 a selection of labels showing the way the mark has been used over that period.

7. The opponents have considerable goodwill in the trade marks above through their use itemised at paragraphs 4, 5 and 6 above and view the proposed use of the mark REMY’S with concern.

8. In the offices and warehouses of the opponent’s, the goods under the trade marks are simply referred to as REMUS which forms the major and distinctive part of our trade mark. This is also the situation in the trade, members of which buy our goods.”

7. Mr Robertson later updates the above. Turnover at wholesale prices rose to £10,733,426 in 2004 and £251,436 was spent on making the mark known. Goods marked REMUS are said to be marketed throughout the UK as well as being exported.

8. The proprietor is also the owner of UK trade mark registrations for REMUS UOMO O2 and O2 REMUS UOMO (series). A copy of the registration certificate is exhibited (RB5). REMUS is said to be predominant relative to the word UOMO (though not, I note, in relation to the element O2). The proprietor is also the owner of

various Community Trade Mark registrations. Again copies of the registration certificates are exhibited (RB6).

The Law

9. Section 46 reads 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 purpose 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.”

10. The onus is on the proprietor to show use when a challenge arises (Section 100).

11. The two leading authorities on the guiding principles to be applied in determining whether there has been genuine use of a mark are *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 and *Laboratoire de la Mer Trade Mark* [2006] F.S.R. 5. From these cases I derive the following main points:

- genuine use entails use that is not merely token. It must also be consistent with the essential function of a trade mark, that is to say to guarantee the identity of the origin of goods or services to consumers or end users (*Ansul*, paragraph 36);
- the use must be ‘on the market’ and not just internal to the undertaking concerned (*Ansul*, paragraph 37);
- it must be with a view to creating or preserving an outlet for the goods or services (*Ansul*, paragraph 37);
- the use must relate to goods or services already marketed or about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns (*Ansul*, paragraph 37);
- all the facts and circumstances relevant to determining whether the commercial exploitation of the mark is real must be taken into account (*Ansul*, paragraph 38);
- the assessment must have regard to the nature of the goods or services, the characteristics of the market concerned and the scale and frequency of use (*Ansul*, paragraph 39);
- but the use need not be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39);
- an act of importation could constitute putting goods on the market

(Laboratoire de la Mer, paragraph 25 referring to the earlier reasoned order of the ECJ);

- there is no requirement that the mark must have come to the attention of the end user or consumer (*Laboratoire de la Mer*, paragraphs 32 and 48);
- what matters are the objective circumstances of each case and not the proprietor's intention, purpose or motivation (*Laboratoire de la Mer*, paragraph 34);
- the need to show that the use is sufficient to create or preserve a market should not be construed as imposing a requirement that a significant market share has to be achieved (*Laboratoire de la Mer*, paragraph 44).

Relevant Five Year Period

12. This is an action under Section 46(1)(b). The application for revocation was filed on 25 February 2005 and the applicant seeks revocation with effect from that date. The relevant five year period is, therefore, 25 February 2000 to 24 February 2005.

The applicant's written submissions

13. The first part of the applicant's submissions deal with the circumstances in which the proprietor's Form TM8, counterstatement and evidence were admitted into the proceedings. In brief the applicant's submission is that the evidence in question should not have been admitted and the revocation should have been revoked at that stage. The fact of the matter is that the evidence has been admitted into the proceedings and the time for challenge on any procedural matter relating thereto has long passed.

14. In terms of the substance of the case the applicant submits that the exhibit RB2 evidence relates to a period prior to the one that is relevant to these proceedings and that the evidence contained in RB4 is deficient in failing to provide a breakdown or explanation of the turnover and promotional expenditure figures. Furthermore, the labels that are exhibited show the mark REMUS UOMO and not REMUS. The applicant rejects the proprietor's contention that REMUS is the predominant element and within the Section 46(2) criterion ("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").

DECISION

15. The applicant has correctly identified that the evidence at RB2, that is to say material supplied at the examination stage to support the application for registration of No 1580900 on the basis of honest concurrent use, is well outside the relevant period. It was filed under cover of a statutory declaration dated 11 January 1995 and relates to even earlier periods.

16. The substance of the proprietor's defence is, therefore, built around the statements in Mr Hooks' witness statement (filed in opposition number 91896) quoted above along with the supporting exhibit consisting of labels. In most cases there is no obvious way of dating the labels or establishing the precise goods on which they or similar such labels would have been used. I note that some of the labels contain Italian text ('i Pantalone di Remus Uomo' and 'designo originale'). Others contain English language text with, in one case, an indication that it is 'clothing for men'. There is a blank space on the same label under 'Available at'. The labels are generally, therefore, inconclusive as to the nature of goods offered, the sales area and the date of use. No brochures, catalogues, advertisements, point of sale material, invoices or other such indicators of trade have been supplied to fill in the gaps left by the label evidence. Without such substantiating detail it seems to me that the otherwise significant turnover figures cannot be conclusive.

17. Turning to Mr Hooks' covering witness statement, it is clear that the sales and promotional expenditure figures refer to more than one mark, that is to say REMUS, REMUS UOMO, REMUS UOMO O2 and O2 REMUS UOMO. There is no breakdown of the figures as between these marks. So far as I can see the labels do not show use of REMUS on its own.

18. The position is, therefore, that the claim that the mark REMUS has been used in the relevant period rests on the bare claim in Mr Hooks' evidence and cannot be corroborated by any of the exhibited labels. Whilst I accept that one cannot be prescriptive about the nature of evidence to be filed in defence of a registration against a non-use attack, I cannot believe that a tribunal should be expected to make a finding favourable to a proprietor on the basis of a bare claim such as is contained in Mr Hooks' evidence and I am unwilling to do so.

19. The above finding is in itself sufficient to determine the outcome of the action but I should also deal with the applicant's submission that the only use shown (the labels) discloses use of REMUS UOMO, O2 REMUS UOMO or REMUS UOMO O2 rather than the mark that is the subject of the registration. Most of the labels show the mark REMUS UOMO. UOMO is usually presented in somewhat smaller size lettering beneath the word REMUS in its conjoined lettering form. I have little doubt that REMUS would be seen by consumers as the visually dominant element but it certainly does not reduce the word UOMO to insignificance in the mark.

20. I find on the basis of the labels in RB4 that the sign principally in evidence is the composite mark REMUS UOMO. The issue is, therefore, whether use of REMUS UOMO would qualify under Section 46(2) as "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."

21. The leading authority on the principles to be applied in determining issues under Section 46(2) is *Bud and Budweiser Budbraü Trade Marks* [2003] RPC 25 where Lord Walker said:

"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?

The distinctive character of a trade mark (what makes it in some degree striking and memorable) is not likely to be analysed by the average consumer, but is nevertheless capable of analysis. The same is true of any striking and memorable line of poetry:

“Bare ruin’d choirs, where late the sweet birds sang”

is effective whether or not the reader is familiar with Empson’s commentary pointing out its rich associations (including early music, vault-like trees in winter, and the dissolution of the monasteries).

Because distinctive character is seldom analysed by the average consumer but is capable of analysis, I do not think that the issue of “whose eyes? – registrar or ordinary consumer?” is a direct conflict. It is for the registrar, through the hearing officer’s specialised experience and judgment, to analyse the “visual, aural and conceptual” qualities of a mark and make a “global appreciation” of its likely impact on the average consumer, who:

“normally perceives a mark as a whole and does not proceed to analyse its various details.”

The quotations are from paragraph [26] of the judgment of the Court of Justice in Case C-342/97 *Lloyd Schuhfabrik Meyer GmbH v Klijsen Handel BV* [1999] E.C.R. I-3819; the passage is dealing with the likelihood of confusion (rather than use of a variant mark) but both sides accepted its relevance.”

22. The answer to the first of the questions posed by Lord Walker in the above passage is clear. The mark as used incorporates an element, that it to say the word UOMO, that is not present in the mark in the form in which it is registered. The more difficult issue is whether that alters the distinctive character of the mark as registered.

23. The proprietor’s position is that REMUS is the predominant part of the composite mark and that UOMO, being the Italian word for man, is descriptive in respect of the goods ie male clothing. Hence it is said use of REMUS UOMO is use of REMUS. In support of that position the proprietor has referred to *Société des Produits Nestlé SA v Mars UK Limited* Case C-353/03 where the ECJ was asked to consider whether the distinctive character of a mark may be acquired following or in consequence of use of the mark in question as part of or in conjunction with another mark. The court held that independent use of the applied for mark was not a prerequisite.

24. The applicant’s written submissions indicate that it is of the view that “.... this case does not assist the registered proprietor as the trade mark under attack is not for a mark which forms part of a mark previously registered with other matter and, more importantly, there is no evidence to show that the relevant consumer groups understand that the trade mark REMUS UOMO is perceived by the consumer simply as the word REMUS. It is clear from the evidence filed by the registered proprietor

that they accept that the trade mark REMUS has not been used during the relevant period.”

25. The first issue I need to decide is the significance that the average consumer would attach to the word UOMO. The goods covered by the registration are articles of outer clothing for men, youths and boys. The category of consumers is thus clearly identified. It is not, I think, disputed that the word UOMO is the Italian word for man.

26. The position of foreign language words has been the subject of consideration and guidance in a number of cases. A very full review of the relevant authorities can be found in *Di Gio Srl's Trade Mark Application* [2006] R.P.C. 17. A number of the cases referred to deal with the registrability of foreign language words from an absolute grounds perspective but it is accepted that the relevant considerations are also applicable in relation to relative grounds issues. The key points I take from *Di Gio* are that:

- the impact of a word mark on speakers of English should be used to determine whether it is acceptable for registration in the United Kingdom on absolute and relative grounds (paragraph 29).
- it is not appropriate to approach the matter on the skewed view that the word or words in issue would be used primarily in a context which required familiarity with the [Italian] language (paragraph 31).
- there is no real room for refusing to register word marks on the grounds that they were relevantly descriptive in the languages of other member states (paragraph 35) and by implication such words may be held to be distinctive in the UK.
- it is impermissible for the English equivalents of foreign words to be used for the purpose of testing issues relating to the distinctiveness, descriptiveness or deceptiveness of such words in the UK in the absence of good reason for thinking that a significant proportion of the predominantly anglophone public in the UK would understand the meaning of the word(s) in question (paragraph 41).

27. These observations do not appear to rule out the possibility that a foreign language word may be held to have descriptive significance in this country. Such a position might, for instance, arise if a foreign language word is being used in relation to goods directed at a particular part of the community that could be expected to understand its significance (thus counteracting the normal presumption of an anglophone audience). Other words may have achieved a ready currency or recognition here – the word ‘vin’ for wine for instance or be so similar to the equivalent English word that even the average consumer with no relevant linguistic skill would readily appreciate its meaning.

28. How then does the word UOMO fall to be treated? There is no relevant evidence on the point from the consumer perspective. I note that Mr Hooks claims that, in the proprietor’s offices and warehouses the goods are simply referred to as REMUS. But

that may just be a convenient short form for internal use. It does not tell me what the average consumer would make of the word. Interestingly, I note that a schedule of advertising from Anderson Advertising Ltd relating to late 1993 in Exhibit RB2 refers under the heading 'product' to Remus Uomo Men's Clothing suggesting that the advertising agency saw the mark as being REMUS UOMO.

29. The word UOMO does not bear any significant visual similarity to any equivalent English word and yields no obvious meaning. I suppose that a few might suspect that the word is derived from the Latin homo not least because that is still a recognised combining form. However, I regard any such connection as being uncertain and, in reality, even if the word is used in relation to men's clothing, consumers are unlikely to go through the thought processes necessary to yield such a result.

30. A different view of the matter might have been possible if, for instance, there was evidence that, given Italy's reputation in the clothing field, UK consumers were familiar with the use of Italian descriptive indications such as UOMO. In the absence of any such contrary indication, and not without hesitation (bearing in mind that Italian is a major European language), I take the view that UOMO is more likely to be regarded as an element of unknown meaning or relevance and hence capable of attracting consumers' attention as a distinctive part of the mark REMUS UOMO albeit that it is in most of the sample labels visually subordinate to, and less prominent than, REMUS.

31. That leads me on to the key issue as to whether use of the variant REMUS UOMO would be sufficient to sustain the registration having regard to the provisions of Section 46(2). I set out above the guidance in the leading (Court of Appeal) authority on this issue. I should also at this point refer to the detailed consideration given to the application of the principles from that case in *O/262/06 Nirvana Trade Mark* where Richard Arnold QC, sitting as the Appointed Person, dismissed an appeal against the decision of a Registry Hearing Officer holding that use of NIRVANA NATURAL was a successful defence to a non-use claim against the registered mark NIRVANA.

32. The Appointed Person's analysis of the position can be found at paragraphs 9 to 21 and includes a review of a number of CFI cases dealing with use of variant forms of marks. I note in particular that in his analysis he refers to the following passage from the CFI's judgement in *Case T-149/03 Il Ponte Finanziaria SpA v OHIM*:

Article 15(2)(a) [corresponding to Section 46(2)] of Regulation No 40/94, to which the applicant refers, relates to a situation where a national or Community registered trade is used in trade in a form slightly differently from the form in which registration was effected. The purpose of that provision, which avoids imposing strict conformity between the used form of the trade mark and the form in which the mark was registered, is to allow its proprietor, on the occasion of its commercial exploitation, to make variations in the sign, which, without altering its distinctive character, enable it to be better adapted to the marketing and promotion requirements of the goods or services concerned. In accordance with its purpose, the material scope of that provision must be regarded as limited to situations in which the sign actually used by the proprietor of the trade mark to identify the goods or services in respect of which the mark was registered constitutes the form in which that mark is

commercially exploited. In such situations, where the sign used in trade differs from the form in which it was registered only in negligible elements, so that the two signs can be regarded as broadly equivalent, the aforementioned provision envisages that the obligation to use the trade mark registered may be fulfilled by furnishing proof of the sign which constitutes the form in which it is used in trade. However, Article 15(2)(a) does not allow the proprietor of a registered trade mark to avoid his obligation to use that mark by relying in his favour in the use of a similar mark covered by a separate registration.

33. Commenting on the above passage the Appointed Person said:

“So far as this last case is concerned, I would make two comments. First, the suggestion that the sign must differ from the mark as registered “only in negligible elements” does not appear to me to be consistent with the Regulation, which merely requires that the differences not alter the distinctive character of the mark, or with the CFI’s own jurisprudence in the two preceding cases (neither of which is referred to). Secondly, the conclusion that Article 15(2)(a) does not permit reliance upon use of a mark covered by a separate registration appears to me to be difficult to reconcile with the judgment of the European Court of Justice in Case C-353/03 *Société des Produits Nestlé SA v Mars UK Ltd* [2005] ECR I-6135 holding that a trade mark may acquire distinctive character in consequence of use of that mark as part of or in conjunction with another registered trade mark.

34. He goes on to consider the position where descriptive elements form part of a complex mark and notes that the established case law indicates that consumers will not generally consider such elements as being distinctive and dominant within the overall impression conveyed by a mark.

35. The Hearing Officer in that case concluded that the average consumer would see NATURAL as no more than indicating the nature of the products, i.e. as a descriptor and that the word was at the extreme end of the scale for unregistrability. Consistent with that view of the matter he concluded that use of NIRVANA NATURAL was use of the registered mark NIRVANA within the meaning of Section 46(2).

36. The Appointed Person, whilst accepting the case was close to the line, held that the Hearing Officer was entitled to come to the view that NATURAL would be seen as a descriptor and hence that the overall impression conveyed to the average consumer by the composite mark would be that of a NIRVANA brand.

37. The relevance of the *Nestlé* case was also considered by a Registry Hearing Officer in *New Covent Garden Soup Co*, O/312/05. In particular he had to consider whether the registration of those words could be sustained on the basis of use of those same words presented in a roundel along with a device of a bowl of soup (the goods in question). He found that this usage did fall within Section 46(2) and drew support from *Nestlé* for this finding. I note that he went on to say:

“28. This does not necessarily means that it is possible to sustain the registration of a trade mark as a result of the use of that mark only as a part of another mark, but there is a certain logic in the proposition that if it is possible

for a mark to acquire its own distinctive character as a result of its use as part of another mark, then it should also be possible for it to retain that distinctive character, even though it is always used with the other elements of the composite mark”.

38. I do not regard these cases as being authority for the proposition that any use of a registered mark as part of a composite mark will be taken as an accepted variant for Section 46(2) purposes so long as it (the mark as registered) retains a distinctive character within the whole. The question to be addressed is not whether the word in question is a distinctive and/or dominant element within the composite mark but whether use of (in this case) REMUS UOMO can be said to be in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered. If the additional element is in some measure distinctive in its own right then the distinctive character of the totality is likely to differ from the distinctive character of the component elements.

39. For the reason I have already given I do not think that UOMO can be discounted as a descriptive reference, at least not for the average consumer in the UK. Consumer perception is important in all this. The Office for Harmonisation in the Internal Market’s guidelines acknowledge (in a passage quoted in paragraph 20 of the *Nirvana* appeal decision) that where more than one mark is used:

“In each case it has to be carefully evaluated whether the added or omitted elements represent a change to the mark or depict another mark. It is quite common in some market areas that the goods and services bear not only their individual mark, but also the mark of the business or product group (house mark). In these cases the registered mark is not used in a different form, but the two independent marks are validly used at the same time.”

on the other hand

“There is no use of two-or-more marks, but use of one composite mark where the different elements appear together as a ‘unitary whole’. This is the case where they are actually merged together. However, as always, each case has to be assessed on its own merits. The customs in the specific sector might play a decisive role in the evaluation.”

40. I have not found this an easy matter to decide but making the best I can of it I consider the labelling in RB4 shows that the proprietor has consistently presented REMUS UOMO as a composite mark and that consumers would see it as a unified whole notwithstanding that REMUS is visually the more dominant element. On that basis I find that use of REMUS UOMO is not use of an acceptable variant that would enable the proprietor to sustain its registration even if I was held to be wrong in finding that use had not been properly substantiated on the evidence.

41. Accordingly the registration falls to be revoked in its entirety with effect from 25 February 2005.

COSTS

42. The applicant is entitled to a contribution towards its costs. I order the registered proprietor to pay the applicant the sum of **£1300**. 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 8th day of June 2007

M REYNOLDS
For the Registrar
the Comptroller-General