O-237-08

# **TRADE MARKS ACT 1994**

#### IN THE MATTER OF REGISTRATION NO 1211559 IN THE NAME OF SANMEX INTERNATIONAL LIMITED OF THE TRADE MARK:

# SOFT TOUCH

## IN CLASS 3

## AND THE APPLICATIONSFOR REVOCATION THERETO UNDER NO 82663 BY IMS COSMETICS MARKETING

**Trade Marks Act 1994** 

In the matter of registration no 1211559 in the name of Sanmex International Limited of the trade mark: SOFT TOUCH in class 3 and the application for revocation thereto under no 82663 by IMS Cosmetics Marketing

#### Introduction

1) Section 46 of the Trade Marks Act 1994 (the Act) reads as follows:

"(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."

Section 100 of the Act states:

"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."

Consequent upon section 100 in revocation for non-use proceedings the onus is upon the registered proprietor to prove that it has made genuine use of a trade mark, or that there are proper reasons for non-use.

2) On 17 October 2006 IMS Cosmetics Marketing, which I will refer to as IMS, filed an application for the revocation of registration no 1211559. The registration is for the trade mark **SOFT TOUCH** (the trade mark) and is registered for the following goods:

non-medicated toilet preparations; cosmetics; non-medicated preparations in the form of creams and lotions, all for the care of the skin; preparations for the hair; shaving preparations; soaps; shampoos; depilatory preparations; depilatory articles included in Class 3.

The registration process for the trade mark was completed on 18 September 1985, the date of the publication of the registration of the trade mark in journal no  $5584^{i}$ . The registration is in the name of Sanmex International Limited, which I will refer to as Sanmex.

3) IMS states that in the course of the prosecution of its trade mark application no 2362575 Sanmex's trade mark was raised as a citation by the Trade Marks Registry. IMS states that investigations have been carried out in relation to the use of the trade mark and it has only been used in relation to women's body spray. IMS opines that the registration can only be maintained in respect of women's body spray. IMS seeks revocation of the registration, with the exception of women's body spray, under both sections 46(1)(a) and 46(1)(b) of the Act.

4) In relation to section 46(1)(b) of the Act, IMS claims that the trade mark has not been used, saved in respect of women's body spray, from 17 October 1996 to 17 October 2001, it seeks the partial revocation of the trade mark from 17 October 2001. The period relied upon is, in fact five years and one day and so I will treat the relevant period as being from 17 October 1996 to 16 October 2001.

5) In relation to section 46(1)(a) of the Act IMS seeks revocation from 21 August 1990; this is less than five years after the date of the completion of the registration process and so the claim under section 46(1)(a) of the Act must fail.

6) Sanmex filed a counterstatement, together with evidence. Sanmex states that products have been sold under the trade mark by it its predecessor in title since 1997. Sanmex states that it has used the trade mark on or in relation to various personal care, household and laundry products such as antiperspirants, deodorants, body sprays, laundry powder and fabric conditioners.

7) Sanmex states that section 46(3) of the Act provides that a trade mark shall not be revoked if use of the trade mark is commenced or resumed after the expiry of the five year period and before the application for revocation is made. Sanmex, in respect of this, refers to evidence which shows use of the trade mark in relation to various articles since 2004. Sanmex states that in the last six months "or so" it has been preparing to launch hair care products, namely hair sprays and hair mousses, under the trade mark. Sanmex states that is has now received a commitment for orders for these products.

8) Sanmex seeks the refusal of the application. It states that there was no communication from IMS or its representatives prior to the filing of the application for revocation.

9) Sanmex filed two sets of evidence. IMS did not file any evidence. The sides were advised that they had a right to a hearing and that if neither side requested a hearing a decision would be made from the papers and any written submissions that were received. Neither side requested a hearing nor furnished written submissions.

#### Evidence of Sanmex

10) This consists of two witness statements made by Mr Steven Groden. Mr Groden is the company secretary and marketing director of Sanmex. By January 2007 Mr Groden has been closely involved with Sanmex and its predecessor in title for more than ten years.

11) Mr Groden states that Sanmex first used the trade mark in the United Kingdom in relation to antiperspirants, deodorants, body sprays and hairspray (the goods) in 1996 and has used the trade mark continuously since then in relation to the goods.

12) Sanmex does not hold any paper invoices for the period 1996 to 2001, as there are no legal requirements to do so. However, he estimates that turnover in goods sold under the trade mark in each of these years was between  $\pounds 300,000$  and  $\pounds 400,000$ .

13) Mr Groden has been able to extract historical data from Sanmex's previous accounts computer system. Exhibited at SG1-SG6, to Mr Groden's second statement, are historical sales data for one of Sanmex's SOFT TOUCH antiperspirants for the years 1996 to 2001. The data show one product: SOFT TOUCH LOVING 200 ml. Mr Groden states that the value of goods sold in the United Kingdom were as follows:

1996£127,1161997£125,2091998£104,7731999£84,1532000£65,8702001£74,192

(I note that some of the data appears to relate to undertakings outside of the United Kingdom but this does not affect the case as use for export is also relevant.)

14) Mr Groden states that Sanmex sold the goods under the trade mark to a variety of small and medium sized chemists, retailers and wholesale and distribution companies; some of which he lists. Mr Groden states that these companies operate in various parts of the United Kingdom, including Scotland, Northern Ireland, the north, midlands and south-east of England.

15) Mr Groden states that there is no formal advertising/publicity budget. However, Mr Groden states that the SOFT TOUCH range was supported by trade leaflets and promotional gifts in the period 1996-2001.

16) Exhibited at SG7 are two photographs of a can of SOFT TOUCH *pleasing*. The can bears the legend "fine fragranced body spray for women". The picture of the bottom of the can indicates that the product was manufactured on 17 February 2001.

17) Exhibited to Mr Groden's first witness statement, at SG1, are "[c]opies of a representative sample of invoices issued in 2004, 2005 and 2006". Mr Groden states that these invoices show sales of body sprays and antiperspirant deodorants. The products shown on invoices from 2004, 2005 and 2006 and before the date of application for revocation are:

SOFT TOUCH COTTON 200 ml; SOFT TOUCH B/S CASHMERE 150 ml; SOFT TOUCH B/S COTTON 150ml; SOFT TOUCH FAB BLUE SPA 750ml; SOFT T'CH PINK PASSION 750ml; SOFT TOUCH APPLE ALOE 750ml; SOFT TOUCH COTTON ALMOND 750ml; SOFT TOUCH 3-IN-1 WASHING POWDER 850g; SOFT TOUCH ALOE WASHING POWDER 850g; SOFT TOUCH BIO WASHING POWDER 850g; SOFT TOUCH NON BIO WASHING POWDER 850g; SOFT TOUCH COLOUR WASHING POWDER 850g; SOFT TOUCH NON BIO WASHING POWDER 8.55kg; SOFT TOUCH BIO WASHING POWDER 8.55kg; SOFT TOUCH B/S SATIN 150ml; SOFT TOUCH B/S VELVET 150ml.

The following goods only appear on copies of invoices from November and December 2006, after the date of application for revocation:

SOFT TOUCH APD COOL 150ml; SOFT TOUCH APD FRESH 150ml; SOFT TOUCH APD ORIENTAL 150ml.

18) Exhibited at SG2 to Mr Groden's first statement is a copy of a sales brochure that Mr Groden states was issued early in 2006. This shows SOFT TOUCH and soft touch being used on body sprays and antiperspirant deodorants. The former goods also bear the names Cotton, Cashmere, Velvet, Satin; the latter also bear the names Cool, Fresh, Oriental and Violets. The products are not defined by reference to gender.

19) Exhibited at SG3 to Mr Groden's first statement is a copy of an e-mail dated 22 March 2006 and artwork for SOFT TOUCH hair spray and hair mousse. The e-mail is from Mr Ian Lockley of Peachtree UK Limited to Mr Stuart Ritchie of Sanmex. The message in the e-mail is as follows:

"Attached is the visual for the Soft Touch Hairspray. This is the latest stage we have reached with the design.

If you require a quote for completing the concept to mock up stage let me know."

The art work shows cans for hair spray and mousse bearing soft touch.

Mr Groden states that this exhibit shows that Sanmex has been preparing for the launch of hair care products, initially hair spray and hair mousses during the previous six months (Mr Groden's statement is dated 30 January 2007).

# Decision

20) Owing to the nature of the application and the effects of section 46(3), genuine use of the trade mark from 17 October 1996 to 16 October 2001 or from 17 October 2001 to 16 October 2006 will have to be taken into account. Use of the trade mark on invoices is use of the trade mark in relation to the goods, as is use on the goods, as shown in certain of the exhibits. Taking into account the length, scale and nature of the use I have no doubt that Sanmex has shown that there has been use of the trade mark in the material periods for antiperspirant deodorants and body sprays. There has also been use in relation to washing powder, but as this product is not covered by the specification this use is not pertinent.

21) In relation to the statements of Mr Groden the only matter that is open to consideration is the use of the trade mark in relation to hairspray and hair mousse. In his second witness statement Mr Groden states that Sanmex has used the trade mark, inter alia, in relation to hairspray since 1996 and that this use has been continuous since then. However, in his first witness statement Mr Groden states:

"The email and supporting documentation shows that Sanmex has been preparing for the launch of hair care products, initially hair spray and hair mousses during the last six months."

I cannot see how the above statement can be squared with the statement that the trade mark has been used continuously in relation to hair spray since 1996. In the absence of any corroborative evidence in relation to the statement in the second witness statement, all that Sanmex can rely upon in relation to hairspray and hair mousse is the e-mail of 22 March 2006 and the artwork.

22) This leaves the question as to whether this use of the trade mark in relation to hairspray and hair mousse can be considered to be genuine use. The considerations to be taken into account in relation to genuine use were given by the European Court of Justice (ECJ) in *Ajax Brandbeveiliging BV v Ansul BV* Case C-40/01:

"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 service 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."

23) There is no evidence that by the date of application any hair care products had been sold under the trade mark. The ECJ held that genuine use can include use in relation to "goods about to be marketed and for which preparations by the undertaking to secure customers are under way". The evidence of Sanmex simply relates to a prospective design for the packaging. There is no evidence to show that at the date of the application for revocation preparations were underway to secure customers. The use in relation to hair care products upon which Sanmex relies does not represent genuine use as per the judgment of the ECJ above.

#### Fair description

24) It is necessary to decide upon a fair description for the goods for which genuine use has been shown and which fall within the parameters of the specification ie antiperspirant deodorants and body sprays. To limit the goods by gender, as per the statement of case of IMS would not reflect the use shown and would be over pernickety<sup>ii</sup>. Antiperspirants and deodorants, whether in combined or separate form, represent a clear sub-division of goods<sup>iii</sup>. Body sprays also represents a sub-division of goods. The relevant public, which is the public at large, would be likely to describe the goods<sup>iv</sup> for which genuine use

has been shown as *antiperspirants, deodorants and body sprays*. These goods are encompassed by the general term *non-medicated toilet preparations* of the specification.

## Conclusion

25) The specification of the trade mark is to be limited to:

antiperspirants, deodorants and body sprays; all included in class 3.

The revocation is to have effect from 17 October 2001.

#### Costs

26) IMS having been successful for the most part is entitled to a contribution towards its costs. I award costs upon the following basis:

Application fee:	£200
Statement of case:	£300
Considering counterstatement:	£200
Total:	£700

I order Sanmex International Limited to pay IMS Cosmetics Marketing the sum of  $\pounds700$ . 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 13<sup>th</sup> day of August 2008

David Landau For the Registrar the Comptroller-General

<sup>&</sup>lt;sup>i</sup> Wi-Fi Alliance v Wilhelm Sihn Jr KG BL O/251/05 Mr Hobbs QC, sitting as the appointed person :

<sup>&</sup>quot;2. The trade mark was registered in the name of Wilhelm Sihn Jr. KG ('the Proprietor') with effect from 10 September 1960. In an Official Notice entitled '*Date on which a mark is actually entered in the Register*' printed at pp. 1536, 1527 of Issue No. 5725 of the Trade Marks Journal published on 1 June 1988 it was confirmed that, prior to June 1986, the date of the Trade Marks Journal in which the fact of registration was recorded in the list of 'Trade Marks Registered' was the date of actual registration......"

<sup>ii</sup> Animal Trade Mark [2004] FSR 19:

"20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernickety way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for three-holed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made."

# <sup>iii</sup> Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-126/03:

"42 The Court observes that the purpose of the requirement that the earlier mark must have been put to genuine use is to limit the likelihood of conflict between two marks by protecting only trade marks which have actually been used, in so far as there is no sound economic reason for them not having been used. That interpretation is borne out by the ninth recital in the preamble to Regulation No 40/94, which expressly refers to that objective (see, to that effect, *Silk Cocoon*, cited at paragraph 27 above, paragraph 38). However, the purpose of Article 43(2) and (3) of Regulation No 40/94 is not to assess commercial success or to review the economic strategy of an undertaking, nor is it to restrict trade-mark protection to the case where large-scale commercial use has been made of the marks (Case T-334/01 *MFE Marienfelde* v *OHIM* – *Vétoquinol (HIPOVITON)* [2004] ECR II-0000, paragraph 32, and Case T-203/02 *Sunrider* v *OHIM* – *Espadafor Caba (VITAFRUIT)* [2004] ECR II-0000, paragraph 38).

43 Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of subcategories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the subcategory or sub-categories relating to which the goods or services for which the trade mark has actually been used actually belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of 'part of the goods or services' cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category."

#### <sup>iv</sup> Thomson Holidays Ltd v Norwegian Cruise Lines Ltd [2003] RPC 32:

"29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is--how deep?

30 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?

31 Pumfrey J. in Decon 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."