## **TRADE MARKS ACT 1994**

IN THE MATTER OF REGISTRATION NO. 2040937
IN THE NAME OF CONTINENTAL SHELF 128 LIMITED
OF THE TRADE MARK:

# **CATWALK**

AND THE APPLICATION FOR REVOCATION THERETO UNDER NO. 83914
BY DOSENBACH-OCHSNER AG SCHUHE UND SPORT

#### **BACKGROUND**

- 1. On 22 November 2010, Dosenbach-Ochsner AG Schuhe Und Sport ("the applicant") filed an application for the revocation, on the grounds of non-use, of registration number 2040937 which is for the mark CATWALK. The registration stands in the name of Continental Shelf 128 Limited ("the registered proprietor"). The registration procedure was completed on 4 April 1997. It is registered for *Articles of footwear, clothing and headgear.*
- 2. The applicant seeks revocation of the registration in full under sections 46(1)(a) and (b) of the Trade Marks Act 1994 ("the Act"). It claims that the mark CATWALK has not been put to genuine use in the United Kingdom by the registered proprietor or with its consent in relation to the goods for which it is registered and that there are no proper reasons for non-use. Its section 46(1)(a) claim is based upon the five year period following registration; i.e. 5 April 1997 to 4 April 2002, with a claimed date of revocation of 5 April 2002. Under section 46(1)(b), the claim is based on the five year period 22 November 2005 to 21 November 2010 with a claimed date of revocation of 22 November 2010.
- 3. The registered proprietor filed a counterstatement in which it defended its registration in respect of *Articles of clothing*. It states that it did not become the proprietor of the mark until 25 June 2008. Prior to that date, the mark passed through several different ownerships. The registered proprietor states that, in view of the complicated ownership history, it is unable to provide evidence of use within the period pleaded under section 46(1)(a) of the Act. However, the registered proprietor states that it has made genuine use of the mark on articles of clothing since it took over the proprietorship and, consequently, by virtue of section 46(3) of the Act, it is not vulnerable to revocation.
- 4. The registered proprietor filed evidence and the applicant filed written submissions. Both sides were content for a decision to be made from the papers rather than requesting a hearing; both sides filed written submissions in lieu of a hearing.

## **Evidence**

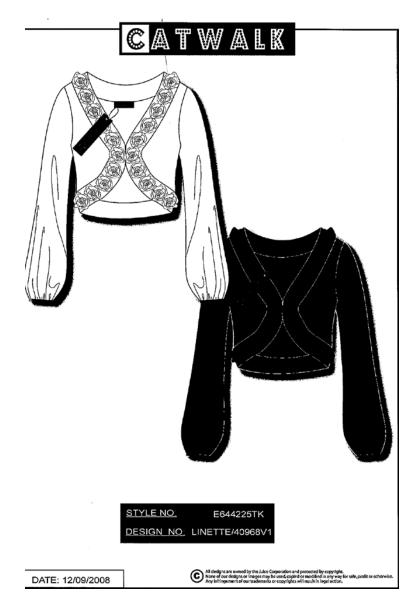
5. The registered proprietor's evidence comes from two individuals: Robert James Hawley and Tesneem Ahmed.

## Robert Hawley's evidence

6. Mr Hawley is the registered proprietor's trade mark attorney. He has filed two witness statements, the first of which comprised the counterstatement. Mr Hawley exhibits (RJH-02) a selection of computer aided design drawings showing ladies' clothing designs and a selection of invoices, dated in 2008 and 2009. The invoices are headed with the name Hornby Street Limited. Mr Hawley states that Hornby Street Limited is related to the registered proprietor, with both companies sharing the same shareholders and company directors. He states that Hornby Street Limited has the express permission of the registered proprietor to use the mark which is the subject of these proceedings. Exhibit RJH-03 is a letter dated 31 January 2011

headed "Continental Shelf 128 Limited Juice Corporation" and "to whom it may concern". It is signed by a Mohammad Tariq, on behalf of Continental Shelf 128 Limited. The body of the letter states that Continental Shelf 128 Limited and Hornby Street Limited are associate companies and that Hornby Street Limited is authorised to use the trade mark "Catwalk".

7. Mr Hawley states that the codes on the design drawings reference the style codes in the invoices. Three pages of design drawings each show ladies' tops. The first page shows two bolero style cardigans, the second and third pages show two sweaters each. All six drawings show a stylised CATWALK mark as a sew-in neck label and as a swing tag. The first page is reproduced below. The mark which appears at the top of the page appears on the sewn in neck label and on the swing tags, although it is not possible to see that from the reproduction below.



All three pages are dated 12 September 2008. The drawings are called Linette, Lulu and Marylou and each as a style number and design number. An invoice dated 29 January 2009, to TJX UK, in Watford from Hornby Street Limited, shows the style

numbers and the names for the designs I have described above. The invoice amount is £18930.38.

8. Another example is given by way of a design drawing of a 'maxi' dress called Baby Doll JMP, the name of which is cross-referenced in an invoice dated 6 November 2009 to Sit-Up Limited in London for £9031.88. There is similar evidence in relation to ladies' coats, jackets, trousers, jeans and sweatshirts with invoices for thousands of punds within the relevant period to TJX UK and TJ Hughes Limited, in The mark CATWALK is shown in the exhibits in the form I have reproduced above. All of the design drawings show copyright as being owned by Juice Corporation. Mr Hawley's second witness statement expands upon the information about the relationship between the registered proprietor and Juice Corporation, in response to written submissions made by the applicant in which it questions the commercial relationship between the proprietor and Juice Corporation and the standing of its director, Kashif Ahmed and Mr Tariq. Mr Hawley shows a print from the Companies House website which records the registered proprietor, under the name and registered office details, as "Continental Shelf 128 Limited, Juice Corporations<sup>1</sup>, 2-16 Bury New Road, Manchester, Lancashire", which is the same address as the heading for Mr Tarig's letter, mentioned above (exhibit RJH-3). Mr Hawley states that Juice Corporation is a fashion house which designs and sells clothing, footwear and headgear under a number of brands. He states that it is connected with and under the control of Continental Shelf 128 Limited and that the computer aided design drawings were produced for the registered proprietor. Mr Hawley gives further information about Mr Tariq, who is the finance officer for the registered proprietor and from whom he has taken instructions for the three years that he has represented the registered proprietor.

## 9. Tesneem Ahmed's evidence

Ms Ahmed is head of ladies' wear "of Hornby Street Limited, Juice Corporation, 2-6 Bury New Road, Manchester". Ms Ahmed states that she is also a shareholder of the registered proprietor and Hornby Street Limited. She states that the registered proprietor and Hornby Street Limited share a common director, who is her brother: Mr Kashif Ahmed. Ms Ahmed has had the responsibility of managing the CATWALK brand of clothing since the registered proprietor took ownership of the trade mark in 2007. She states that, at least as early as July 20007, Hornby Street Limited has used the trade mark CATWALK with the express permission of and under an implied licence from the registered proprietor on a broad range of clothing products. Ms Ahmed states that Mr Mohammed Tariq is the assistant to the registered proprietor's managing director and that he has full and unfettered access to the registered proprietor's records and is empowered to act on its behalf.

#### **Decision**

- 10. Section 46 of the Act reads as follows:
  - "(1) The registration of a trade mark may be revoked on any of the following grounds—

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<sup>&</sup>lt;sup>1</sup> Mr Hawley refers to it in the singular.

- (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."

# 11. Section 100 of the Act states:

"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."

Consequently, the onus is upon the registered proprietor to prove that genuine use of the registered trade mark was made in the relevant periods. The registered proprietor, in its counterstatement, says that it is unable to provide evidence of use within the period pleaded under section 46(1)(a) of the Act. Consequently, this decision will focus upon the period pleaded under section 46(1)(b) of the Act because if genuine use is shown during this period, it will save the mark from revocation because of the provisions of section 46(3) of the Act.

- 12. Ms Anna Carboni, sitting as the appointed person in, *PASTICCERIA E CONFETTERIA SANT AMBROEUS S.R.L. v G&D RESTAURANT ASSOCIATES LIMITED* [2010] RPC 28, summarised a set of principles from the following leading Court of Justice of the European Union ("CJEU") cases on the issue of genuine use: *Ansul BV v AjaxBrandbeveiliging BV*, Case C-40/01, [2003] ETMR 85; *La Mer Technology Inc v Laboratoires Goemar SA*, Case C-259/02, [2004] FSR 38; and *Silberquelle GmbH v Maselli-Strickmode GmbH* Case C-495/07, [2009] ETMR:
  - "(1) Genuine use means actual use of the mark by the proprietor or a third party with authority to use the mark: *Ansul*, [35] and [37].
  - (2) The use must be more than merely "token", which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].
  - (3) The 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 goods or services from others which have another origin: *Ansul*, [36]; *Silberquelle*, [17].
  - (4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].
    - (a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

- (b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].
- (5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] [23].
- (6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no *de minimis* rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]."
- 13. The applicant submits that there is no satisfactory evidence of a consensual commercial relationship between the registered proprietor and the names of the entities shown in the evidence, Hornby Street Limited and Juice Corporation. It is true that Mr Tariq's letter is hearsay, so it is a question of weight. It was also written after the relevant period. Mr Tariq explains that there <u>is</u> a consensual relationship, although he does not go as far as saying it existed during the relevant periods. However, Ms Ahmed's statement, backs up his letter because she refers to an implied licence since at least 2007. I am satisfied from the various pieces of company information in the evidence, from the statement of Ms Ahmed, and the statements of Mr Hawley, who would be expected to know the commercial set-up of the client whom he represents, that Hornby Street Limited and Juice Corporation are part of a group of companies controlled by the registered proprietor, in common ownership and control<sup>2</sup>. Taking the evidence in the round, in my view, consent as required by section 46(1)(a) and (b) of the Act, has been demonstrated.
- 14. Having established that there was a consensual trading relationship between Juice Corporation, Hornby Street Limited and the registered proprietor during the relevant period, this means that the drawings (copyright held by Juice Corporation) and invoices (from Hornby Street Limited) can be taken into account. Although the word CATWALK does not appear in the invoices, the invoices are cross-referred by design name and/or number to the items shown in the drawings and are to UK customers within the relevant period. The invoices are for several thousand pounds each. Although the clothing market is huge, I am satisfied that the evidence shows

<sup>&</sup>lt;sup>2</sup> There is no requirement that the registered proprietor must have control over the use of the mark: see *EINSTEIN*, Geoffrey Hobbs Q.C. sitting as the appointed person, [2007] R.P.C. 23, and the decision of the registrar *SAFARI* [2002] R.P.C. 23.

that the registered proprietor was trading in clothing in a manner which was not token; that there was real commercial exploitation of the mark on the market which was aimed at maintaining an outlet for the goods; and that it was of sufficient scale and frequency to maintain the necessary outlet and commercial exploitation of the mark. Although I say "clothing", in actual fact the evidence shows use only on women's clothing.

15. It is appropriate at this point to consider the issue of what is a fair description of the use shown, applying any appropriate sub-categorisation as long as it is not overly specific and unduly restrictive. I must take care not to equate a fair description with the actual use which the registered proprietor has shown if that is not a fair description from the average consumer's perception. In *Melis Trade Mark*, Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person, said<sup>3</sup>:

"In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned."

In my view, the average consumer would regard women's clothing as constituting a particular category of clothing (whole shops are exclusively devoted to it). Having cited both the above quotation from *Melis* and also referring to *Animal Trade Mark* [2004] FSR 19, paragraph 20, the applicant submits that the specification should be reduced to "articles of casual outer clothing for women, namely tops, dresses, jackets and pants. To my mind, the applicant is not following the advice which it cites. This is a pernickety restriction. A fair specification in this case is *women's clothing*.

- 16. I have, so far, said that the registered proprietor has shown use with its consent on women's clothing. That use has consistently and exclusively been shown as the stylised mark reproduced above in paragraph 7. However, the mark which is registered is CATWALK; word-only, with no stylisation. There is, therefore, under section 46(2) of the Act, a question as to whether the use in the stylised form is 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 (word-only).
- 17. The correct legal approach is set out in *Bud/Budweiser Budbrau* [2003] RPC 25. Lord Walker of Gestingthorpe stated:
  - "43. ... 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?"

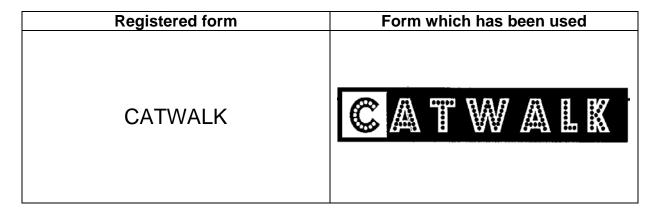
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<sup>&</sup>lt;sup>3</sup> BL O-345-10.

- 18. I also refer to the decisions of Mr Richard Arnold QC, sitting as the Appointed Person in *NIRVANA* (BL O/262/06) and in *REMUS* (BL O/061/08). In the second of these cases Mr Arnold QC stated:
  - "I do not consider that the subsequent developments discussed above undermine the correctness of the view which I articulated in *NIRVANA* as follows:
  - '33. .... The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...
  - '34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."
- 19. In OAO Alfa-Bank v Alpha Bank A.E. [2011] EWHC 2021 (Ch), although Briggs J cautioned against elevating NIRVANA to a statutory test, observing that there are bound to be occasions where the addition of a word or words would not alter the distinctive character of the mark as registered, he stated that the NIRVANA formula was:
  - "a perfectly sound and authoritative unpicking of the test laid down in section 6(A)(4)(a) of the Act". 4
- 20. In making my assessment of whether the stylised use shown in the registered proprietor's evidence complies with section 46(2), I will follow the *NIRVANA* formula which is, in essence, the enquiry articulated by Lord Walker. I need to ascertain the differences between the marks, as registered and as used, and evaluate whether the differences alter the distinctive character of the mark as registered. In order to answer that question, I first need to determine the distinctive character of the mark in its registered form.
- 21. As is the case with all word-only marks, the distinctiveness of the word-only mark CATWALK lies in the word itself as there is no element of stylisation or device which affects its inherent distinctiveness. A catwalk is the long raised platform along which models walk in order to show off the clothing collections of fashion designers. Used in relation to clothing, footwear and headgear, CATWALK is suggestive of clothing which has been modelled or is part of a designer collection of clothing, e.g. "hot off the catwalks of Paris/London/Milan" etc. Although CATWALK for these goods has a tangential relationship with clothing, it is not descriptive. The mark, as registered, has a reasonable degree of inherent distinctive character.

<sup>&</sup>lt;sup>4</sup> Section 6A(4)(a) mirrors the wording under the relevant part of section 46(2) of the Act.

22. The next part of the enquiry is to determine the differences between the marks in the form used and in the registered form. These are set out in the table below:



There are a number of differences between the marks. Although the spelling of the word is the same in each mark, the differences in the form as used are that:

- (i) the word is set on a rectangular background, split between black and white shading;
- (ii) the wording is in black or white depending upon which part of the split shading that the letters appear, so that the C appears as a black letter on white shading and the letters ATWALK appear as white lettering on black shading;
- (iii) The letters all have dots inside them; white dots inside the black C and black dots inside the white letters ATWALK.
- 23. Having established (i) the way in which the mark has been used; (ii) the distinctive character of the registered mark; and (iii) what the differences are between the registered mark and the mark used, the final analysis is to decide whether those differences alter the distinctive character of the mark in its registered form. Phonetically and conceptually, the marks are no different. However, visually, the mark, as used, has substantial differences to the word-only form of CATWALK. Those differences are the layered effect of the black and white elements and, further, the split shading which has the effect of highlighting the letter C because it is singled out compared to the rest of the mark. My conclusion is that the visual differences have altered the distinctive character of the mark in its registered word-only form. The differences have turned a word-only mark into a stylised mark which has a greater degree of inherent distinctive character.
- 24. It follows that the use falls outside of the parameters of section 46(2) of the Act. Examination of the form of use of a mark is a fundamental and a necessary part of the enquiry into genuine use, as can be seen from the interplay between sections 46(1)(a) and (b) and 46(2). Section 46(2) connects directly to section 46(1): if the use falls outside of section 46(2), it cannot assist in proving genuine use as prescribed by sections 46(1)(a) and (b) (reproduced in paragraph 10 above).

#### Outcome

25. The application for revocation on the grounds of non-use succeeds under both sections 46(1)(a) and 46(1)(b). Consequently, the mark is revoked under section 46(6)(b), the effective date of revocation being 5 April 2002.

#### **Costs**

26. The statutory application form (TM26(N) indicates that notice that the action was being launched was given on the same day as the action was filed (22 November 2010). An advisory note on the application form, in relation to notice, says:

"Starting revocation proceedings without giving the registered proprietor ... a reasonable opportunity to surrender the registration...may result in the applicant, if the application for revocation is undefended, being ineligible for an award of costs."

Of course, the application was defended rather than surrendered and so the applicant has been successful in a defended action and is entitled to an award of costs. I will not make an award to the applicant for its written submissions because they focussed only upon the issue of consent and cross-referencing of the drawings to the exhibits, issues on which I found in the registered proprietor's favour. I award costs on the following basis<sup>5</sup>:

Total:	£900
Considering the registered proprietor's evidence	£500
Application fee	£200
Preparing a statement and considering the counterstatement	£200

27. I order Continental Shelf 128 Limited to pay Dosenbach-Ochsner AG Schuhe Und Sport the sum of £900. 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 26<sup>th</sup> day of March 2012

Judi Pike For the Registrar, the Comptroller-General

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<sup>&</sup>lt;sup>5</sup> As per the scale in Tribunal Practice Notice 4/2007.