

O-240-13

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION  
No. 2591944  
BY M.A.D ASSOCIATES LIMITED  
TO REGISTER THE TRADE MARK  
SWANNECK  
IN CLASSES 16, 21, 25 & 28**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER No. 103030 BY  
SCHWAN-STABILO SCHWANHAUSSER GMBH & CO**

## BACKGROUND

1) On 19 August 2011 M.A.D Associates Limited (hereinafter the applicant), applied to register the trade mark SWANNECK in respect of the following goods:

In Class 16 : Pens.

In Class 21: Wheelie bin apparatus namely an attachment for compacting waste.


In Class 25: Clothing.

In Class 28: Fishing tackle; fishing apparatus.

2) The application was examined and accepted, and subsequently published for opposition purposes on 18 November 2011 in Trade Marks Journal No.6914.

3) On 21 February 2012, Schwan-Stabilo Schwanhausser GmbH & Co. (hereinafter the opponent) filed a notice of opposition. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade marks:

Trade Mark	Number	Filing date/ registration	Class	Specification
	UK 927399	01.07.68 /	16	Ball pens, felt tipped pens and plastic fibre pointed pens.
Schwan	UK 1245602	08.07.85 / 04.11.88	16	Stationery, adhesive materials (stationery); artists' materials (other than colours or varnish); paint brushes; office requisites (other than furniture); drawing instruments, transparencies (stationery), printed matter; parts included in Class 16 for typewriters; instructional and teaching materials (other than apparatus) and parts and fittings therefor included in Class 16; correcting fluids, correcting pastes, duplicating paper and carbon paper, all included in Class 16.

b) The opponent contends that the mark applied for is similar to its earlier marks and is sought to be registered for similar goods in Class 16. As such the mark in suit offends against Section 5(2)(b). The opponent contends that its earlier marks have a reputation in the UK in respect of stationery having been used in the UK since 1876. As a result, use of the mark in suit upon any of the goods applied for would take unfair advantage of the opponent's reputation and could also dilute the distinctiveness of the opponent's marks. Alternatively the average consumer could believe that the applicant's goods were an extension of the opponent's range. As such all the goods applied for are opposed under Sections 5(3) and 5(4)(a) because of the opponent's reputation in the two marks shown above.

4) On 25 April 2012, the applicant filed a counterstatement which denied the opponent's claims. The applicant put the opponent to strict proof of use.

5) Both sides filed evidence. Both parties seek an award of costs in their favour. Neither side wished to be heard, both provided written submissions either as part of their statement of grounds/counterstatement, as part of the evidence or separately. I shall take these comments into account as and when required.

## OPPONENT'S EVIDENCE

6) The opponent filed a witness statement, dated 22 October 2012, by Sebastian Meyer, the Director of Law and Compliance at the opponent company, a position he has held since 1 September 2001. He states that his company has used the Swan logo since 1876 in the UK, although there have been occasions when instead of a white swan on a black background they have used the logo of a black swan on a white background. A list of online retailers who sell the opponent's products under the Swan logo and the Swan Stabilo name is provided and includes *Amazon, UK Office Direct, Shopwiki, Shopzilla, Dealtime* and *Pullingers Art shop*. Mr Meyer also provides the following exhibits:

- Exhibit A: An extract from an English language magazine, EPPI (European Promotional Products Industry). This is said to be a pan-European magazine which is issued six times a year. Mr Meyer states "with a circulation of 10,000 copies and is distributed to over 23,000 distributors of my company in the EU, including the United Kingdom". Clearly these figures do not make sense. The document is not dated other than for a copyright date of 2004-2011 at the bottom of the article. The article refers to the name "Schwan-STABILO" being first used in 1976. The opponent provides pens with a promotional message for the client company upon them. There are pictures of pens but no marks can be read on them. Also included in the article is a photograph of an exhibition where a giant marker pen can be seen. This has the words STABILO BOSS written on the side and has a logo also but this cannot be seen clearly enough to determine what it depicts. The account states that since 1971 the opponent has sold 1.5 billion highlighter pens, and the opponent contends that it is the number one highlighter pen in Europe. Although of course, given that the company provides promotional items, not all of the pens would have had the opponent's name upon them.
- Exhibit B: This is said to be an example of an advertisement used by the opponent. The two pages show a still from a YouTube site which is for STABILO. It shows an image of two pencils and a factory under a drawn banner with the word "Schwan" upon it. It is stated that the film was uploaded onto YouTube on 27 April 2010 and that it has been seen by 2,400 people. Given that the advertisement has not been provided and no other details other than those recorded here, it is difficult to know what this is intended to show.
- Exhibit C: Pages from a Google search under the name "SWAN STABILO". This is dated 19 October 2012 and shows two hits for the term in relation to pens being sold, the second hit on the page is in relation to Schwan Cosmetics, other hits are the opponent company itself, one from Wikipedia, whilst two are in German.
- Exhibit D: Extracts showing the swan logo as used on products. These are all dated 18 September 2012. Whilst the word "STABILO" is readable on most of the items the swan logo can only be seen clearly once when it is used along with the word

“STABILO” in a description of the company. The description also talks about the range of STABILO pens.

## **APPLICANT’S EVIDENCE**

7) The applicant filed a witness statement, dated 18 December 2012, by Anthony Hemmings the Chairman and Director of the applicant company. He states that his company has used the mark SWANNECK since 2008 on pens originally designed for left handed writers, but found to be of assistance to those writing in languages which go from right to left such as Arabic. He states that in February 2009 the opponent purchased three of its pens, he provides evidence of the purchase, and that nothing more was heard from the opponent until it launched the current opposition.

8) That concludes my summary of the evidence filed, insofar as I consider it necessary.

## **DECISION**

9) I first turn to the ground of opposition I based on section 5(2)(b) which reads:

5.-(2) A trade mark shall not be registered if because -

- (a) .....
- (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

10) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an “earlier trade mark” means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

11) The opponent is relying upon its trade marks listed in paragraph 3 above which are clearly earlier trade marks. The opponent was put to strict proof of use by the applicant, and, given the interplay between the dates of the marks, the opponent’s marks are subject to The Trade Marks (Proof of Use, etc) Regulations 2004 paragraph six of which states:

“6A Raising of relative grounds in opposition proceedings in cases of non-use.

(1) This section applies where-

- (a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if-

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has 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, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes-

(a) 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

(b) 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.

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

12) I must first consider whether the opponent has fulfilled the requirement to show that genuine use of its marks have been made. In the instant case the publication date of the application was 18 November 2011, therefore the relevant period for the proof of use is 19 November 2006 – 18 November 2011. The requirements for “genuine use” have been set

out by the Court of Justice of the European Union (CJEU) in its judgments in *Ansul BV v Ajax Brandbeveiliging BV*, Case C-40/01 [2003] RPC 40 and *Silberquelle GmbH v Maselli-Strickmode GmbH* Case C495/07, [2009] ETMR 28 and by the Court of Appeal in the UK in *LABORATOIRE DE LA MER Trade Mark* [2006] FSR 5. The principles established in these judgments have been conveniently summarised by Ms Anna Carboni, sitting as the Appointed person O-371-09 *SANT AMBROEUS*:

“(a) 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].

(b) 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].

(c) 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].

(d) 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].

(i) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(ii) 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].

(e) 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].

(f) 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 opponent has shown no use whatsoever of mark number 1245602 (Schwan). The mark Schwan-STABILO is said to have been used since 1976, but no evidence of its use

in the UK has been provided. Similarly, there is an absence of evidence of use of mark number 927399 (Swan logo). Whilst there is a blurred logo on a number of the pens shown in the internet evidence in a number of instances the actual logo cannot be properly made out. Even if I were to accept that the logo was present, the evidence is dated after the relevant date and the opponent has not asserted that this is how its mark was used during the relevant period. Indeed the opponent could have filed evidence of turnover, sales in the UK, market share, examples of advertising, trade fairs attended and invoices to UK companies. It chose to file none of these.

14) The opponent has failed to provide any evidence of use of its marks and as such it has fallen at the first hurdle. There is no use of either mark, even in a variant form. The grounds of opposition under Sections 5(2)(b) and 5(3) must fail.

15) Clearly, the evidence provided also fails to show that the opponent has any goodwill in the marks relied upon under its ground of opposition under section 5(4), and so the opposition under section 5(4)(a) must also fail.

## **CONCLUSION**

16) The opponent has failed under Sections 5(2)(b), 5(3) and 5(4)(a) against all the goods applied for.

## **COSTS**

17) As the applicant has been successful it is entitled to a contribution towards its costs.

Preparing a statement and considering the other side's statement	£300
Preparing evidence and considering the other side's evidence.	£400
<b>TOTAL</b>	<b>£700</b>

18) I order Schwan-Stabilo Schwanhauser GmbH & Co. to pay M.A.D. Associates Limited the sum of £700. 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 June 2013**

**George W Salthouse  
For the Registrar,  
the Comptroller-General**