

O-311-15

TRADE MARKS ACT 1994

**TRADE MARK REGISTRATION No. 2347831
IN THE NAME OF NATURE DELIVERED LIMITED**

AND

**APPLICATIONS 500471 AND 500472
BY ELVENDON RESTAURANTS LIMITED
FOR THE TRADE MARK TO BE REVOKED FOR NON-USE
AND/OR BECAUSE IT HAS BECOME DECEPTIVE**

Background and pleadings

1. Nature Delivered Limited is the registered proprietor of trade mark registration No. 2347831, which consists of the following trade mark.



2. The trade mark was filed on 4th November 2003 and completed its registration procedure on 16th July 2004. It is registered in respect of the following goods/services:

Class 29

Fish, fish products; preserved, dried, cooked, canned and frozen fruits, vegetables, pulses, fish and fish products; soups; dairy products; milk products; eggs; yoghurts; jams, marmalade, preserves; conserves; peanut butter; fish, fruit, vegetable, savoury, sweet and sandwich spreads; edible oils and edible fats; pickles; relishes; jellies; jelly crystals; mincemeat; fruit curds; fruit desserts; fruit salads; chutneys; sauces; salad cream; candied and uncandied peel; preserved ginger; bottled fruits; fish, meat and vegetable pastes; prepared meals, snack foods and sandwiches; canned milk puddings; salads; desserts.

Class 30

Flavourings and seasonings; herbal preparations for making beverages; additives for beverages; coffee, mixtures of coffee and chicory, coffee essences, coffee extracts, artificial coffee, coffee preparations; chicory and chicory mixtures, all for use as substitutes for coffee; tea, black tea, green tea, herbal tea, tea essences, tea extracts, instant tea, tea mixtures; cocoa, cocoa products, cocoa powder, drinking chocolate, beverages made from or containing chocolate; beverages made from or containing cocoa; malted food drinks; malted drinks; custard; custard powder; blancmange; baking powder; flour; preparations made from flour; bran, wheatgerm, yeast; rusks; cereals and preparations made from cereals; bread, bread products, pastry; bakery products; farinaceous products and preparations; macaroni; vermicelli; spaghetti; pasta; pasta sauces; noodles; pizzas; pastries and confectionery; tarts; biscuits; cookies; cakes; chocolate products; spices; sugar, rice, tapioca, sago; syrup; honey and honey substitutes; treacle; chocolate spread; salt; mustard; pepper; vinegar; sauces; desserts; puddings; ice cream and ice cream confections; frozen confections; ready made dishes; pies; curry powder; curry paste; mayonnaise, yeast extracts; savoury spreads; salad dressings; sandwiches; prepared meals and snack foods.

Class 31

Fresh fruits, fresh vegetables, seeds for agricultural and horticultural purposes, fresh nuts (fruits), salted nuts and processed nuts included in Class 31, and malt.

Class 32

Beer, mineral waters, aerated waters, non-alcoholic drinks; carbonated soft drinks; fruit drinks, fruit juices; syrups and preparations for making beverages; all included in Class 32.

Class 43

Provision of food and drink; restaurant, bar, snack bar, cafeteria, banqueting and catering services.

3. The mark was first registered by the company awarded the contract for providing catering services at London Zoo. However, it was assigned in 2004 to the Zoological Society of London ("ZSL"). In April 2008, whilst still the proprietor of the mark, ZSL licensed the current proprietor to use it. Later, on 30 September 2011, ZSL assigned the mark to the current proprietor. At that point, ZSL was granted a licence to continue to use the mark for a maximum period of two years.

4. On 30 June 2014 Elvendon Restaurants Limited ("the applicant") applied for the revocation of the trade mark under s.46(1)(b) of the Trade Marks Act 1994 on the grounds that no genuine use was made of the mark in the periods 28 February 2009 to 27 February 2014 and 30 June 2009 to 29 June 2014. In particular, the applicant claims that:

- The current proprietor has never used the registered mark in the form in which it is registered.
- To the extent that it has used the word GRAZE in other forms, this alters the distinctive character of the registered mark and is not therefore use of the registered mark.
- Any use of the registered mark by the current proprietor is not genuine and was only made to escape the consequences of a non-use attack on the registration.

Consequently, the applicant asks for the registration to be revoked with effect from 28 February 2014 or 30 June 2014.

5. The applicant also made an application for the mark to be revoked under s.46(1)(d) of the Act on the grounds that the mark had become deceptive. This is because ZSL, and subsequently the current proprietor, licensed the mark to each other under 'bare' licences with no quality controls.

6. The current proprietor filed counterstatements denying the grounds for revocation. I note in particular that the proprietor:

- Claims that the mark was put to genuine use during the relevant periods in relation to all the goods and services for which it is registered.
- Admits that ZSL licensed the mark to the current proprietor on 30 April 2008 with no quality controls.
- Claims that the licence granted to the current proprietor by ZSL was an exclusive licence, except that the current proprietor was not entitled to use the mark in relation to restaurant services within any properties owned or occupied by ZSL.
- Denies that the current proprietor granted ZSL a bare licence to use the mark, but admits that the deed of assignment dated 30 September 2011 gave ZSL consent to continue to use the mark for up to two years from that date in order to complete a process of re-branding.
- Claims that use of the mark, or of a mark differing in elements which did not alter the distinctive character of the registered mark, by the current proprietor under licence from ZSL between April 2008 and September 2011, and use of the mark by ZSL with the consent of the current proprietor within the two years commencing on 30 September 2011, constitute genuine use of the mark in the relevant periods.
- Denies that use of the registered mark by the current proprietor was solely to resist a non-use attack.

7. Both sides seek an award of costs.

8. The revocation proceedings under s.46(1)(b) and s.46(1)(d) were consolidated.

The evidence

9. The proprietor's evidence takes the form of two witness statements by Anthony Fletcher, who is the Chief Executive Officer of the current proprietor, and three witness statements by Stephen Perkins, who was the Head of Catering at London Zoo between 2002 and December 2013. Mr Perkins (but not Mr Fletcher) was cross examined on his evidence.

10. The applicant's evidence takes the form of three witness statements by Samuel Hurst who is the applicant's Managing Director.

11. Mr Fletcher's evidence is that:

- The current proprietor was incorporated in 2007 and started trading in August 2008 under the name GRAZE.
- The name is used in relation to nutritional snack food products consisting of fruits, nuts, seeds, vegetables, savoury and bakery products. The idea is that customers can order snacks of their choice which are delivered to them through the post in boxes and paid for on a subscription basis.
- The current proprietor has spent millions promoting the product, including radio and TV advertising. A survey conducted in early 2014 found that GRAZE was the fourth most mentioned brand in the context of healthy snack products, and around 50% of the 2333 respondents had heard of the brand.
- The current proprietor became aware of the registered mark shortly before the launch of its GRAZE snack product in 2008. It decided to take a licence from ZSL¹. The licence granted the current proprietor the exclusive right to use the registered mark (including the right to sub-licence), except in relation to restaurant services within properties owned or occupied by ZSL. There were no controls on the quality of the goods/services provided under the licence.
- Ms Emma Taylor of ZSL sent him an email on 20 September 2011 which covered the possibility of the current proprietor taking an assignment of the registered mark. She stated that *"As you correctly noted, we have re-branded our cafes as Oasis so we no longer need the 'Graze' mark. There are few bits of old signage around the zoo (in the cafes) which still say Graze on it though, and these will be replaced as and when we produce new signage. We are a charity and can't afford to do it all at once."*
- He visited the zoo on 15 July 2011 as part of a social event with other people from his business and saw *"Graze signage throughout the zoo directing visitors to catering outlets, and also at various points within the Oasis café itself"*. Mr Fletcher exhibits a photograph taken by a colleague of a decorative board within the Oasis café bearing the word 'graze'.
- The current proprietor became aware that the applicant was trading under the name Grazing in December 2013 and sent a 'cease and desist' letter seeking legal undertakings to the applicant on 18 December 2013. This was initially based on two other (later) registrations of the mark GRAZE, but it led to exchanges of correspondence between the parties about, inter alia, who was

¹ A copy of the licence is at exhibit AF-14

the senior user, which resulted in a letter from the applicant dated 4th April 2014 in which it raised the possibility of applying to revoke the registered mark for non-use.

- The current proprietor decided in 2013 to introduce a kids box with snacks for children. It was decided that a special recycling logo was required and a design brief for a suitable logo was created on 11 February 2013. The requirement was for a design that a) used the standard recycling logo and the word GRAZE, and b) was “*chunky, fun and childlike*”. No real progress was made on this project until February 2014 when the current proprietor realised that the mark the subject of these proceedings met the design brief and was a good fit for the existing design of the boxes themselves. A version of the registered mark with a standard recycling logo added beneath the word GRAZE was applied to kids boxes, and these were first sent out in May 2014.

12. Mr Perkins’ written evidence was that:

- The Compass Group, UK and Ireland Limited was awarded the contract to provide catering services at London Zoo towards the end of 2003 and they came up with idea of using the registered mark as an umbrella brand to tie together the various catering outlets at the zoo.
- Catering provision was taken back in-house at the end of 2006 and from that time on Mr Perkins took on direct management of all catering on the zoo’s premises.
- In 2007 a decision was made “*to move gradually away from the use of Graze as an umbrella brand for catering at the zoo and instead to start emphasising the individual identities of each of the food outlets*”.
- The phasing out of the registered mark was a very slow process because ZSL is a charitable organisation with limited funds. Therefore the signs were changed slowly over a period of years. The change of signage often followed the maintenance schedule at the zoo because this was the most cost effective way to make changes.
- The Oasis Café was the main food outlet at the Zoo. It was a self service restaurant serving a range of hot and cold meals, sandwiches, snacks, kids ‘pick and mix’ lunch boxes, cakes, puddings, fruit and a range of hot and cold drinks. From at least as early as May 2004, the registered mark was placed above an entrance to this outlet above the outlet specific sign ‘**OASISCAFE**’. Mr Perkins says that the sign bearing the registered mark was taken down “a

year or two” before the work to change the restaurant into the Terrace Restaurant began in December 2012 (i.e. between late 2010 and late 2011).

- The Picnic shop was another catering outlet at the zoo. It opened during the summer. It sold sandwiches, salads, ice creams, grab-and-go snacks, children’s treats, such as candyfloss and popcorn, as well as hot and cold drinks. Mr Perkins exhibits a picture of the premises showing that it still bore the registered mark over the entrance (with the word ‘PICNIC’ either side of it) in November 2010² and that a photograph of the catering facility showing the registered mark was shown on the zoo’s website up until March 2011³. The Picnic shop was changed into a milk shake bar called ‘Sblended’ in 2011.
- The zoo used a mobile kiosk in summer and at other peak times, which was located near the zoo’s new exhibits so as to take advantage of the increased footfall of visitors to and from those exhibits. Mr Perkins exhibits a picture of the kiosk which shows that it carried stickers bearing the registered mark⁴. Mr Perkins says that he was told by the manager of Whipsnade Zoo, which is also run by ZSL, that the stickers were removed early in 2010 when the kiosk was transferred there.
- The registered mark also appeared on the zoo’s Fish and Chip Shop and on the Aquarium kiosk. Mr Perkins exhibits pictures of these premises taken from the zoo’s website on 15 August 2010⁵. However, the mark is not visible on either of these photographs. Mr Perkins’ *“best guess”* is that the signage he recalls (bearing the registered mark) was present until *“at least 2009/2010”*.
- The mark was also used on signboards directing visitors to the various catering outlets at the zoo⁶. Mr Perkins says that these were used until at least 2009/2010.
- Mr Perkins says that customers and staff used the word GRAZE orally. However, the only evidence of this dates from 2006/7⁷ i.e. before the start of the alleged periods of non-use.
- The mark was also used on ‘consumables’. In 2007 when the decision was taken to start moving away from the registered mark, the zoo had a large

² See exhibit SP3, pages 9 and 10

³ See exhibit SP3, pages 5 and 6

⁴ See SP-5

⁵ See pages 3 and 4 of exhibit SP-3

⁶ An example, from 2007, can be found at exhibit SP-4

⁷ See SP-6

supply of consumables in stock, specifically headed notepaper, which was used to print the daily menus, price lists and 'specials', and children's lunch boxes. Mr Perkins says that the use of the mark on headed notepaper to print menus, price lists and 'specials' boards continued at the Oasis Café and the Picnic Shop up until September 2011 when a direction was made to cease all use of the mark. Children's lunch boxes bearing the mark were used at the zoo until supplies ran out "*at some point prior to September 2011*". Mr Perkins also recalls sending 1000 of the lunchboxes to Whipsnade Zoo in 2010 and he says that he knows they were used there.

- The registered mark was also used on visitor literature such as maps of the site, day planners and information leaflets.
- He tried to obtain copies of consumables and visitor literature bearing the mark, but had been unable to locate or obtain copies from the relevant time.
- The word GRAZE was also used on a decorative board behind the coffee station in the Oasis Café. This use continued after the sale of the mark to the current proprietor, and after the directive to cease all use of the registered mark at the zoo.
- London Zoo had over 1m visitors in all bar one of the years 2009 to 2014. Annual revenue from catering amounted to between £2.8m and over £4m.

13. The relevant parts of Mr Hurst's evidence are as follows:

- Forty two historical pages from the website for London Zoo dated between 14 December 2005 and 25 September 2011 reveal no use of the registered mark in the descriptions of the catering facilities or on visitor maps⁸.
- Sixteen historical pages from the website for London Zoo dated between 14 December 2005 and 24 March 2010⁹ show that the zoo's main restaurant was branded as the Oasis Restaurant and the picnic shop was called the Oasis Picnic Shop throughout this period.
- He notes that the current proprietor only started to use a version of the registered mark incorporating a recycling sign in May 2014, after the applicant had first informed the current proprietor of its intention to revoke the registered mark for non-use on 4 April 2014.

⁸ See exhibits SH2 A and E

⁹ See exhibits SH2 B,C & D

14. Shortly before the matter came to be heard the applicant sought and was given permission to file Mr Hurst's third witness statement. This consisted mainly of a narrative explaining that some new evidence in the form of a video posted on YouTube on 24th September 2008 had been found which appeared to show that the sign bearing the registered mark had been taken down from the Oasis Café at the zoo by that time. This appeared to contradict Mr Perkins evidence that the mark remained in use at this location until 2010/11. The applicant therefore also sought permission to cross examine Mr Perkins on his evidence.

15. At a case management conference on 20 May 2015 I directed that Mr Perkins attend the hearing for cross examination and, prior to that, he should have the opportunity to file a further witness statement replying to Mr Hurst's latest criticism of his evidence. Mr Perkins' third witness statement dated 21 May was filed the following day. Essentially, Mr Perkins response was that there were two entrances the Oasis Café: the west entrance and the east entrance. His evidence related to the east entrance whereas the entrance shown in the YouTube video was the west entrance. He had not mentioned that there were two entrances before because he did not think it was relevant.

Representation

16. At the hearing on 3rd June 2015, the applicant was represented by Ms Ashton Chantrielle of counsel. The current proprietor was represented by Mr Andrew Lykiardopoulos Q.C., instructed by Marks and Clerk Solicitors.

Cross examination of Mr Perkins

17. Mr Perkins was as helpful to the current proprietor as he could be, but when he did not know the answer to a question he admitted as much. He was therefore an honest witness. However, his evidence was based on his recollection of events 4, 5 or more years earlier. This means that there was necessarily some imprecision about the dates at which Mr Perkins recollected various uses of the registered mark at London Zoo. I have taken this into account in assessing the reliability of Mr Perkins' evidence about the use of the registered mark between 2009 and 2011. In summary, the outcome of the cross examination of Mr Perkins was that he:

- Accepted that the historical maps of the zoo and associated web pages in evidence showed that the catering outlets at the zoo were identified by their individual names rather than by the registered mark, although he maintained that the registered mark had been used for this purpose in 2007 and earlier.
- Confirmed that the slow removal of the registered mark from signage and consumables at the zoo following the decision to gradually move away from

the registered mark as an ‘umbrella’ brand in 2007 was as a result of the cost of making changes.

- Clarified that staff at the zoo were not told that a decision had been taken to move away from the registered mark (although he could not say that they continued to call the main café the Graze café after 2008).
- Could not recall whether the registered mark had ever been displayed on signage at the west entrance of the Oasis Café or, if it was, when it was taken down.
- Confirmed that headed paper bearing the registered mark was used daily for menus etc. until the direction came to cease use of the mark, and that kids lunch boxes bearing the mark were also used daily. (Cross examination did not throw any further light on Mr Perkins written evidence that this ceased “*at some point prior to September 2011*” when the supply of boxes ran out).

18. Re-examined by Mr Lykiardopoulos, Mr Perkins’ confirmed that pictures of the Picnic Shop shown on web pages dated 17th August 2009 and 28th April 2010 in Mr Hurst’s evidence showed the registered mark in use above the entrance to the shop¹⁰.

The non-use ground

19. I shall start by examining the ground for revocation under s.46(1)(b). As I noted earlier, the applicant specified two periods for the purposes of the non-use attack: 28 February 2009 to 27 February 2014 and 30 June 2009 to 29 June 2014. If the application for revocation for non-use succeeds based on either of the specified periods, the application based on the other period will not matter, except as regards the effective date of revocation. I will therefore first assess the case for revocation based on the earlier of the two specified periods: 28 February 2009 to 27 February 2014 (“the relevant period”).

20. The relevant parts of s.46 of the Act state that:

“(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;

¹⁰ See exhibit SH2-A

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c) -

(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) –

(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.”

21. Section 100 is also relevant, which reads:

“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.”

22. Ms Chantrielle drew my attention to paragraphs 48 of the judgment of Birss J. in *Thomas Pink Limited v Victoria's Secret UK Limited*¹¹ in which the judge stated that:

¹¹ [2014] EWHC 2631 (Ch)

“48 The defendant also referred to *European Drinks S.A. v OHIM* Cases T-495/12 to T497/12, and in particular paragraphs 26 to 29 of that judgment of the GCEU. This emphasised that the genuine use of a trade mark cannot be proved by means of probabilities or suppositions but must be demonstrated by solid and objective evidence.”

23. However, as Mr Lykiardopoulos pointed out, the judge went on to say this:

“49 Ms Himsforth appeared to rely on the judgment in *European Drinks* to justify an approach to the evidence which in effect ignored Mr Heilbron's oral testimony that all the goods he referred to in his evidence had been sold or offered for sale under and by reference to the mark as it appears in the CTM. Her approach focussed entirely on what could be gleaned from looking at the exhibits to Mr Heilbron's evidence. (His exhibits included materials exhibited to the original Particulars of Claim because this matter was originally to be in the Patents County Court and they had been sworn by Mr Heilbron.) However, the judgment of the GCEU has to be seen in the context in which it was made, an appeal from proceedings in OHIM. In an English court the oral testimony of a witness who is subject to cross examination is quite capable of being regarded as being solid and objective evidence.

50 The presence of Mr Heilbron as a witness gave the defendant the ability to challenge his oral testimony in cross-examination. The defendant was able to challenge him about his evidence concerning the manner in which his company's goods had been sold. The *European Drinks* case does not mean that an English court should ignore this kind of evidence.”

24. Consequently, if it is suggested that I should discount Mr Perkins' evidence except where it is supported by documentary proof, I disagree. I will instead give Mr Perkins' written narrative and oral evidence, based on his recollections of events in the past, the weight I think it deserves.

25. I agree that decisions of this kind should not be made on the basis of suppositions. However, if the evidence is sufficient to establish that, on the balance of probabilities, the registered mark (or at acceptable variant of it) was put to genuine use in the relevant 5 year period then the non-use attack must be rejected.

26. The relevant case law is now well established and was conveniently summarised by Arnold J. in *Stichting BDO v BDO Unibank, Inc.*¹² like this:

“51. Genuine use. In *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd* (SANT AMBROEUS Trade Mark) [2010] R.P.C. 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439; [2003] R.P.C. 40 ; *La Mer Technology Inc v Laboratoires Goemar SA* (C-259/02) [2004] E.C.R. I-

¹² [2013] EWHC 418 (Ch)

1159; [2004] F.S.R. 38 and *Silberquelle GmbH v Maselli-Strickmode GmbH* (C-495/07) [2009] E.C.R. I-2759; [2009] E.T.M.R. 28 (to which I have added references to *Sunrider v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) (C-416/04 P) [2006] E.C.R. I-4237):

(1) Genuine use means actual use of the mark by the proprietor or 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]; *Sunrider* [70]; *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]; *Sunrider*, [70]-[71].

(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]; *Sunrider*, [72]".

27. Although minimal use may qualify as genuine use, the CJEU stated in Case C-141/13 P, *Reber Holding GmbH & Co. KG v OHIM* (in paragraph 32 of its judgment), that “*not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question*”. The factors identified in point (5) above must therefore be applied in order to assess whether minimal use of the mark qualifies as genuine use.

28. I will first consider the use of the word GRAZE by the current proprietor. There is no dispute that this was used on a substantial scale in the relevant period by, or with the consent, of the proprietor of the registered mark. Therefore if the use of this mark qualifies as use of a mark which does not alter the distinctive character of the registered mark, then there was genuine use of a qualifying mark in the relevant period. However, Ms Chantrielle submitted that the mark used by the current proprietor did not fall within s.46(2) because the differences between the word GRAZE and the registered mark were more than “*negligible*”, which is how the General Court described the requirement in its judgment in *Bainbridge*¹³.

29. For his part, Mr Lykiardopoulos submitted that use of the word GRAZE should be accepted as use of the registered mark because it was the “*central message*” of the registered mark. The reference to a central message comes from the case of *Budejovicky Budvar Narodni Podnik v Anheuser-Busch Inc.*¹⁴ in which the court of appeal re-instated a decision of a hearing officer that use of variant of a registered mark fell within s.46(2) because the word that had been used constituted the central message of the registered stylised word mark. Lord Walker said this:

46. I do not therefore entirely agree with the deputy judge's first criticism (in paragraph 30 of his judgment) of the decision of the hearing officer (Mr G W Salthouse) in the first appeal. The reference to the ‘average consumer's reaction’ to a mark might have been better expressed as the mark's likely impact on the average consumer, but I do not think there can be any real doubt as to what was intended. The hearing officer uses his skill and experience to analyse and assess the likely impact of the mark on the average consumer, although the latter probably does not himself engage in any analysis of that sort.

47. Nor do I agree with the deputy judge's second criticism (in paragraph 31 of his judgment). It is of course correct that the ‘central message’ of a mark is not the statutory test, and it is not always helpful to paraphrase a statutory test before applying it. But as the Court of Justice observed in *Lloyd Schuhfabrik*, the average consumer normally perceives a mark as a whole, so that ‘central message’ may not be too bad a paraphrase, so long as it is understood as comprehending the essential ‘visual, aural and conceptual’ qualities which combine to give a mark its distinctive character.

¹³ Case T-194/03, at paragraph 50.

¹⁴ [2002] EWCA Civ 1534

48. The hearing officer concluded that the distinctive character of the BUDWEISER BUDBRÄU mark resided in those two words (just as if the mark were a plain words mark) and that

“The different fonts and the underlining do not detract from or add anything to, the central message.”

I have to say that I have found that conclusion surprising, so much so that I have had to ask myself whether it can only be an indication that the hearing officer failed to carry out the sort of comprehensive review which he should have undertaken.”

30. Ultimately, the Court of Appeal found that the hearing officer had applied the right test in a way that fell within the margin of discretion available to him and his decision therefore stood. As Sir Martin Nourse noted:

“A mark may have recognisable elements other than the words themselves which are nevertheless not significant enough to be part of its distinctive character; or, to put it the other way round, the words have a dominance which reduces to insignificance the other recognisable elements. In my judgment, on a careful reading of Mr Salthouse's decision, it was into that category that he put the Budweiser Budbräu mark.”

31. As Lord Walker noted in his judgment in this case, it is not helpful to paraphrase the statutory test. I therefore prefer to approach the matter by reference to the words of the Act rather than paraphrases, such as whether the used mark constitutes the ‘central message’ of the registered mark or whether what has been left out is negligible.

32. The mark that the current proprietor has used looks like this.



33. It is shown here on one of the proprietor’s snack boxes. The mark is essentially the word GRAZE. The registered mark is shown below.



34. Ms Chantrielle submitted that the distinctive character of the registered mark is based on the word GRAZE in stylised lettering and the way it is presented over the background oval on which there are subtle stripes giving the impression of long grass. In Ms Chantrielle's submission, the omission of the distinctive lettering and background means that the word mark used by the current proprietor has a different distinctive character compared to that of the registered mark. She submitted that this is particularly so because the word GRAZE by itself has little or no distinctive character for foodstuffs and catering services.

35. Although I have heard it used to describe snacking by humans, the evidence does not support a finding that the word GRAZE would be seen by relevant average consumers as descriptive of characteristics of the goods/services covered by the registered mark. However, the word GRAZE does describe, at least, animal eating habits. Indeed, Mr Perkins says that is why it was chosen. Therefore, although it has not been shown to be truly descriptive, the word GRAZE alludes to eating, which is an intended purpose of foodstuffs and catering services. I therefore find that it is a word with a below average level of inherent distinctiveness for such goods/services.

36. I find that the purely visual elements of the registered mark make a substantial contribution towards its distinctive character, which is particularly important in the case of a figurative mark such as this which is intended to appeal particularly to the eye. It follows that the distinctive character of the word mark used by the current proprietor is altered by comparison with that of the registered mark. Consequently, the current proprietor cannot rely on its use of the word GRAZE as use of the registered mark.

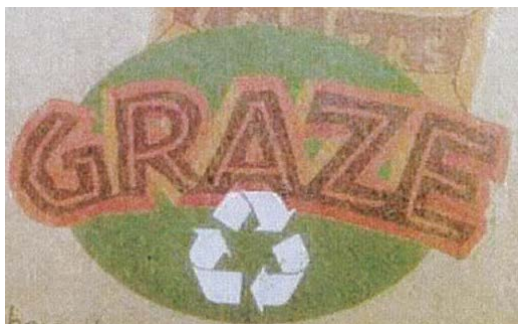
37. For the avoidance of doubt, I would have reached the same conclusion even if I had found that the word GRAZE alone had a higher level of distinctiveness for the goods/services covered by the registered mark. In this respect, I regard the differences between the distinctive characters of the marks at issue in this case to be greater than those under consideration in *Budvar*, and more like the marks under

consideration in the more recent case of *Continental Shelf Ltd*¹⁵ in which CATWALK had been registered as a word, but used only like this.



38. It follows from these findings that use of the word GRAZE by ZSL on a decorative board at the coffee station of the Oasis Cafe does not qualify as use of the registered mark. Oral use of the word GRAZE is also insufficient to constitute use of the registered mark. This is because such use is not capable of reproducing the additional distinctive visual elements of the registered mark. In this connection, I remind myself the test under s.46(2) is not the same as the test under s.5(2)(b) of the Act. The test under that section is whether the use of similar marks is likely to create a likelihood of confusion. That is obviously wide enough to cover marks which have different distinctive characters, but which are similar enough to cause direct or indirect confusion. Section 46(2) permits the use of a variant mark provided that it has the same distinctive character as the registered mark. It is not sufficient merely to be able to say that a distinctive figurative mark including a word sounds the same as the word alone when verbalised.

39. I next turn to consider the current proprietor's use of a version of the registered mark which looks like this.



40. This mark uses the distinctive lettering from the registered mark as well as the positioning of the word on an oval background. The subtle grass-like stripe effect on the oval in the registered mark is missing. A recycling sign has been added. The addition of the recycling sign has not been done very neatly: the sign overlaps the bottom of the letter A and thus gives the impression that it has been superimposed on the mark beneath. In my view, the differences between this mark and the registered mark are not such as to alter the distinctive character of the marks.

¹⁵ See the decision of Mr Geoffrey Hobbs QC as the Appointed Person rejecting an appeal against the Hearing Officer's finding that the mark used had a different distinctive character to the registered mark: BL O/404/13

41. Ms Chantrielle submitted that the use in question should not be regarded as genuine because it commenced in May 2014, after the current proprietor had been told that an application to revoke the registered mark for non-use might be filed. Ms Chantrielle therefore invited me to find that this was sham use, just to preserve the trade mark. Mr Lykiardopoulos submitted that I should accept Mr Fletcher's evidence that the mark was adopted in February 2014 in accordance with a design brief created around a year before for a genuine commercial purpose. According to Mr Lykiardopoulos, it is unfair for the applicant to ask me to disbelieve Mr Fletcher's evidence without asking to cross examine him about it.

42. Tribunal Practice Notice 5/2007 sets out the correct approach to challenging evidence. The relevant part is as follows:

"If the evidence consists, as it should, of fact, then the party wishing to have it disbelieved must raise the issue in a way that permits the witness to answer the criticism that his or her evidence is untrue. This can be done by filing written submissions stating why the witness should not be believed in a time frame which gives the witness an opportunity to supplement his or her evidence (if he wishes) before the matter falls to be decided.

3. Normally, this will mean the opposing party making written observations within the period allowed for the filing of its evidence in response to the witness's evidence explaining why the witness should not be believed. Alternatively, the opposing party can file factual evidence in reply of its own which shows why the evidence in question should not be believed. In the further alternative, the opposing party can ask to cross-examine the witness in question at a hearing."

43. Consequently, it is not fatal to the applicant's case that it did not ask to cross examine Mr Fletcher. The key requirement is that he was given adequate notice that I would be asked to reject his account of the circumstances in which the current proprietor adopted the variant of the registered mark in February 2014 and started to use it in May 2014. The applicant claims it did give such notice because in his second statement (dated February 2015 responding to Mr Fletcher's statement dated December 2014), Mr Hurst "*notes*" that the current proprietor only started to use the mark after finding out that an application may be filed to revoke the registered mark for non-use. Mr Lykiardopoulos submitted that this was not good enough. It fell short of asking for Mr Fletcher's evidence to be rejected. Consequently, Mr Fletcher had no reason to say any more about the matter when he made a second witness statement on 27 March 2015 (or in his third statement), and it was now unfair for the applicant to ask me to reject Mr Fletcher's evidence about this matter.

44. I accept that Mr Hurst's challenge to Mr Fletcher's evidence could have been clearer. Nevertheless, I think that in the context of the communications between the parties, Mr Fletcher would have understood that Mr Hurst was calling the veracity of

his evidence on this point into question. The clear inference of Mr Hurst's comment was that, contrary to what Mr Fletcher had said, the current proprietor's use of the mark shown at paragraph 39 above was only to protect its trade mark registration. In these circumstances, I do not think it was unfair for the applicant to ask me to reject Mr Fletcher's evidence on this matter.

45. If it had been necessary, I would have rejected this part of Mr Fletcher's evidence and found that the use of the mark shown at paragraph 39 above was sham use just to maintain the registered mark. This is because of timing of the start of the use very much fits with that conclusion and I find Mr Fletcher's explanation for the reason for the adoption and use of the mark in 2014 unpersuasive. In particular, he says that it was to meet a commercial need for which a design brief was created around a year before, but that nothing had been done to take the matter forward until February 2014. At that point the current proprietor "*realised*" that the registered mark met the design brief and decided to use it. This was after the opening salvos between the parties in these proceedings. Further, the use of this variant mark is not claimed to have started until May 2014, by which time the applicant had expressly threatened revocation proceedings for non-use.

46. However, it is not necessary for me to reach a formal finding to this effect because use of the registered mark in May 2014 is after the end of the relevant period I am considering (which ended on 27 February 2014), albeit prior to the date of the application for revocation on 30 June 2014. In these circumstances, the proviso to s.46(3) requires 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.

47. Mr Lykiardopoulos submitted that preparations to use the variant of the registered mark shown at paragraph 39 above began in February 2013 when the current proprietor produced a design brief for a recycling mark. I do not accept this. I accept that the design brief was preparation to use a mark including a recycling sign and the word GRAZE. But many marks would have met the design brief. Taking Mr Fletcher's evidence at face value, the current proprietor decided to commence use of the mark at issue in February 2014. This is when preparations to use this particular mark began. This was after the current proprietor received the applicant's letter of 20 December 2013, responding to the cease and desist letter based on other (later) registrations of the word GRAZE. The applicant's response was to claim that it was the senior user of the marks in dispute. The current proprietor has at all times been represented by solicitors. I have no doubt that the importance of the seniority of the registered mark became apparent to the current proprietor at this point in time, along

with the realisation that it was not in use in the form in which it was registered. I therefore find that the current proprietor was aware that an application for revocation of the registered mark might be made when it decided to start using the registered mark in February 2014. Consequently, even if 'preparations' to commence using this variant of the registered mark began in February 2014, the use between May 2014 and the application for revocation on 30 June 2014 does not fall within the scope of s.46(3) and must therefore be disregarded.

48. This means that the use of the registered mark by ZSL in the relevant period up until 30 September 2011, whilst it was the proprietor of the registered mark, or any subsequent use of the mark by ZSL with the consent of the current proprietor, represents the current proprietor's best case for showing genuine use of the mark.

49. Mr Perkins's evidence is that the registered mark appeared on the signage for the Fish and Chip Shop at London zoo, and on the signage for the Aquarium kiosk. However, the mark is not visible on the pictures of these premises from 15 August 2010 in Mr Perkins' evidence. Mr Perkins' "*best guess*" is that the signage was present until "*at least 2009/2010*".

50. I am not satisfied that this is a reliable estimate of the date of the last use of this signage. I accept that it is Mr Perkins' best guess, but it is still a guess made at least 4 or 5 years after the event. The removal of the signs does not appear to have been linked to any specific event which would have assisted Mr Perkins to accurately recall when these signs were removed. I do not find Mr Perkins' evidence on this matter to be reliable. As it is the only evidence of such use, I find that the proprietor has not shown use of the registered mark during the relevant period on the signage for the Fish and Chip Shop at London zoo, or on the signage for the Aquarium kiosk.

51. Mr Perkins's evidence is that the registered mark appeared on the signage on the east entrance to the OASIS CAFÉ until it was taken down "*a year or two*" before the work to change the restaurant into the Terrace Restaurant began in December 2012 (i.e. between late 2010 and late 2011).

52. I am not satisfied that this is a reliable estimate of the date of the last use of this signage. Again the removal of the sign does not appear to have been linked to any specific event which would have assisted Mr Perkins to accurately recall when it was removed. The indication "*a year or two before*" shows that this is a somewhat vague recollection of the date of the removal of this sign. This is particularly relevant in a case such as this where use of the registered mark prior to February 2009 falls outside the relevant period. Further, I am struck by the contrast between Mr Perkins' professed capacity to date the removal of the sign from the east entrance to the OASIS CAFÉ to within "*a year or two*" of the renaming of the outlet and his inability during cross examination to recall whether there had even been such a sign bearing the registered mark over the west entrance to the OASIS CAFÉ or, if there had,

when it came down. For these reasons I regard Mr Perkins' evidence about the date of the removal of the sign bearing the registered mark from the east entrance to the OASIS CAFÉ as unreliable. As it is the only evidence of such use within the relevant period, I find that the proprietor has not shown qualifying use of the registered mark on the signage above the entrance to the OASIS CAFÉ.

53. At the hearing, there was no dispute that the registered mark was used on the sign above the picnic shop at London Zoo up until 2011 when the shop was re-branded. Given that the picnic shop operated on a seasonal basis, this probably means that the mark was in use within the relevant period during the periods April to October of 2009 & 2010. This is how the mark appeared on the sign above the shop.



54. Mr Perkins' evidence is that the registered mark was also used on stickers on a mobile kiosk in summer and at other peak times, which was located near the zoo's new exhibits, up until early 2010 when the kiosk was transferred to Whipsnade zoo. Mr Perkins says that the manager at Whipsnade Zoo told him that the stickers bearing the mark were removed on arrival. I see no reason to doubt the reliability of Mr Perkins' evidence about this. I therefore accept that the mark was on the mobile kiosk at London Zoo up until early 2010. Given the mainly seasonal nature of the use of the mobile kiosk, I find that, on the balance of probability, the mark was so used at London Zoo at least up until the end of the summer of 2009, i.e. within the relevant period.

55. The registered mark was also used on signboards directing visitors to the various catering outlets at the zoo. Mr Fletcher says that he visited the zoo on 15 July 2011 and saw *"Graze signage throughout the zoo directing visitors to catering outlets..."*. However, this contrasts somewhat with the email from Ms Emma Taylor of ZSL to Mr Fletcher dated 20 September 2011 which stated that *"As you correctly noted, we have re-branded our cafes as Oasis so we no longer need the 'Graze' mark. There are few bits of old signage around the zoo (in the cafes) which still say Graze on it"*.

56. Mr Fletcher's email to Ms Taylor has not been placed in evidence, but judging from her reply it seems to have been written after his visit to the zoo. Further, the reply indicates that the main thing that Mr Fletcher noticed during his visit was that the catering outlets at the zoo were no longer branded with the registered mark. This seems to have been what prompted the current proprietor to make an offer to buy the registered mark from ZSL. Further still, Mr Perkins' says in his second witness statement that "*Much of [the signage bearing the registered mark directing visitors to catering outlets] was removed in around 2009/2010, but the signage outside the Picnic Shop remained until it was refurbished in 2011 and the signage outside the Oasis Café remained until around late 2010 or 2011*".

57. I find that there were probably were some signs in use at the zoo in the period 2009-11 directing visitors to some of the catering outlets which bore the registered mark (along with other indications). However, I think it likely that this was a diminishing proportion of such signage at the zoo and that Mr Fletcher is exaggerating when he says that such signs were "*throughout the zoo*" in 2011.

58. Mr Perkins says that headed notepaper bearing the registered mark was used to print the daily menus, price lists and 'specials' and that this continued at the Oasis Café and at the Picnic Shop up until September 2011 when a direction was made to cease all use of the mark. I see no reason to doubt the reliability of Mr Perkins' evidence on this point and I therefore accept it.

59. Mr Perkins' evidence is that children's lunch boxes bearing the mark were used at the Oasis Café at the zoo. In his first witness statement he said that such use ended "*around 2010*" when he sent the remaining supply of at least 1000 lunch boxes to Whipsnade zoo for use there. However, in his second statement Mr Perkins says that on thinking about it further he recalls keeping some lunch boxes back for use at London Zoo until supplies ran out "*at some point prior to September 2011*". I am sure that Mr Perkins has done his best to recollect these events, but I find his evidence on this point vague and unconvincing. I am not persuaded that there was any significant further use of the registered mark used on children's lunch boxes at London Zoo after "*around 2010*" when the stock was sent to Whipsnade Zoo. The indication "*around 2010*" is itself quite vague, but I am prepared to accept that the registered mark probably appeared on the children's lunchboxes that were used at the Oasis Café at least during 2009.

60. Mr Perkins' hearsay evidence that the lunchboxes sent to Whipsnade Zoo were used there does not assist the current proprietor because the circumstances of such use (such as how – or even whether - they were sold, or what was in the boxes) are not explained.

61. There is no established use of the registered mark by ZSL after September 2011 when the mark was assigned to the current proprietor.

62. The outcome of the non-use ground for revocation therefore comes down to whether the established use of the registered mark by ZSL in relation to:

- The signage above the entrance to the picnic shop at London Zoo until 2011;
- The mobile kiosk at London Zoo used during the summer of 2009;
- The signage directing visitors to the picnic shop until 2011 and probably to the Oasis Café until 2009/2010;
- Headed notepaper used to print the daily menus, price lists and 'specials' at the Oasis Café and at the Picnic Shop up until September 2011;
- Children's lunchboxes used at the Oasis Café during 2009.

63. Ms Chantrielle submitted that this was not genuine use of the registered mark. Firstly, ZSL had taken the decision in 2007 to move away from the registered mark as an 'umbrella' mark and the instances of use in the relevant period were therefore just residual uses of old signs and materials, simply to avoid the cost of taking them down or replacing them with new materials. Secondly, the nature of the use of the mark on headed paper used for price lists and on lunchboxes was not clear. Thirdly, the nature of the use of the mark as an 'umbrella' or secondary mark cast doubt on whether it was genuinely used as a trade mark.

64. Mr Lykiardopoulos submitted that the use shown should be regarded as genuine because that is how it would appear to average consumers of the zoo's goods and services. The use of the mark therefore served to maintain a market for the catering outlets at the zoo and was genuine use. As regards the nature of the use, Mr Lykiardopoulos submitted that I should infer that the mark was used on consumables in line with the original idea of it being an 'umbrella' brand, which required that it should be clearly visible.

65. There are doubtless circumstances where the continued appearance of a trade mark on a signboard is no longer genuine use of that mark. For example, take the appearance of a mark on a road sign for a café that has long since closed. No one could say that such use is serving to create or maintain a market for the café. On the other hand, no one could deny that the continued use of an established mark is genuine use simply because a decision has been taken to change the brand name.

66. Applying the same logic, at least some of the uses relied upon in this case amount to genuine use in the relevant period. ZSL's decision in 2007 to gradually

move away from the registered mark should not be understood as a decision to immediately abandon the mark. Rather it was to be a staged transition to new branding. It is common ground that the registered mark was located above the entrance to the picnic shop at London Zoo until 2011. The sign directing visitors to the picnic shop therefore matched the branding on the shop itself (albeit not on the zoo's visitor material where it was called only the OASIS PICNIC SHOP). I agree with Mr Lykiardopoulos that, in context, the average consumer would see this as use intended to retain a market under the registered mark, which would indeed have been the effect of such use. The old mark was therefore still being genuinely used at the picnic shop up to 2011 prior to the re-branding of that outlet. I do not think that it matters that, if more funds had been available, the zoo would probably have moved to new branding more quickly.

67. Nor do I think that the geographically restricted nature of the use is sufficient to reject it as genuine use of the registered (national) mark. This is particularly the case given the likely wide geographical spread of visitors to London Zoo.

68. The use of the mark on the mobile kiosk at London Zoo in 2009 would also have been perceived by average consumers as the zoo maintaining a market for catering services under the registered mark. Given the number of visitors to the zoo, the level of sales via these outlets would have been sufficient to maintain a relevant market under the registered mark.

69. On the other hand, a directional sign bearing the registered mark (and no doubt the prominent words OASIS CAFÉ) pointing to a café called (only) OASIS CAFÉ would be unlikely to maintain a market under the registered mark. Consumers would most likely view that as merely use of out of date signage. Such use of the registered mark would be closer to the first example set out in paragraph 65 above than the second. Similarly, the appearance of the registered mark (somewhere) on headed notepaper used for daily menus and price lists at the Oasis Café would be seen by consumers for what it was: the zoo merely using up old stock. Neither use would in accordance with a mark's essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services.

70. In reaching this conclusion, I have taken into account that it is, of course, possible for more than one mark to be genuinely used in relation to the same goods/services. However, the facts in this case do not support dual branding of catering outlets at the zoo during the relevant period. I think it is clear on the evidence that by 2009 the registered mark was no longer being used as an 'umbrella' mark for the various catering outlets at the zoo. This is not surprising given that the decision to move away from an umbrella brand had been taken two years earlier. In these circumstances I think it is farfetched to characterise the appearance of the registered mark (somewhere) on the paper used to produce daily menus and

price lists at a catering outlet promoted as (and bearing a sign reading only) OASIS CAFE, as an example of dual branding.

71. This brings me to the issue of the goods or services for which genuine use of the registered mark has been shown. In *Maier v ASOS plc*¹⁶ Kitchen L.J. described the correct approach like this:

“63 The task of the court is to arrive, in the end, at a fair specification and this in turn involves ascertaining how the average consumer would describe the goods or services in relation to which the mark has been used, and considering the purpose and intended use of those goods or services. This I understand to be the approach adopted by this court in the earlier cases of *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2002] EWCA Civ 1828, [2003] RPC 32; and in *West v Fuller Smith & Turner plc* [2003] EWCA Civ 48, [2003] FSR 44. To my mind a very helpful exposition was provided by Jacob J (as he then was) in *ANIMAL Trade Mark* [2003] EWHC 1589 (Ch); [2004] FSR 19. He said at paragraph [20]:

“... I do not think there is anything technical about this: the consumer is not expected to think in a pernicky 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 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.”

64 Importantly, Jacob J there explained and I would respectfully agree that the court must form a value judgment as to the appropriate specification having regard to the use which has been made. But I would add that, in doing so, regard must also be had to the guidance given by the General Court in the later cases to which I have referred. Accordingly I believe the approach to be adopted is, in essence, a relatively simple one. The court must identify the goods or services in relation to which the mark has been used in the relevant period and consider how the average consumer would fairly describe them. In carrying out that exercise the court must have regard to the categories of goods or services for which the mark is registered and the extent to which those categories are described in general terms. If those categories are

¹⁶ [2015] EWCA Civ 220

described in terms which are sufficiently broad so as to allow the identification within them of various sub-categories which are capable of being viewed independently then proof of use in relation to only one or more of those sub-categories will not constitute use of the mark in relation to all the other sub-categories.”

72. Mr Perkins’ evidence is that the picnic shop sold “*sandwiches, salads, ice creams, ‘grab and go snacks, children’s treats such as candyfloss and popcorn with a range of hot and cold drinks’*”. Following the hearing my attention was drawn to a historical webpage from the zoo’s website dated 15 August 2010 which is in evidence¹⁷, the picnic shop may also have sold fruit. In my judgment, a relevant average consumer would regard the services provided at the picnic shop as ‘snack bar and cafeteria services’. The services provided from the mobile kiosk at the zoo are properly described as ‘snack bar services’. These are, of course, particular types of ‘catering services’ and services for the ‘provision of food and drink’. However, both of those descriptions also cover other sub-categories of services for which no use has been shown, e.g. banqueting and event catering services. The correct approach is to retain the descriptions which fairly cover the services provided under the mark without also covering other sub-categories of relevant services. Therefore the mark should be retained for:

‘Snack bar and cafeteria services’.

73. Mr Lykiardopoulos submitted that the use shown also entitled the current proprietor to retain the mark for many of the foods and drinks for which it is registered. Ms Chantrielle disputed some of the claims, but accepted others. However, this was only if I rejected her primary argument that the registered mark was not put to genuine use by ZSL during the relevant period. Much of this concession was based on written evidence given by Mr Perkins about the food and drinks sold at the Oasis Café. He said that many of the items were prepared in-house, but that the chilled products were a combination of bought in products bearing third party brands (such as sandwiches, yoghurts, soft drinks, bottled water, beer and wine) and in-house products in plain packaging (such as baguettes, organic sandwiches, pre-made salads, cakes, biscuits, pastries, fruit salads, fruit juice and jelly pots). As I have rejected the case that there was genuine use of the registered mark in relation to the Oasis Café during the relevant period, Ms Chantrielle’s concession does not arise.

¹⁷ See page 4 of exhibit SP-3

74. In *Aegon UK Property Fund Limited v The Light Aparthotel LLP*¹⁸, Mr Daniel Alexander Q.C. as the Appointed Person stated that:

“17. unless is it obvious, the proprietor must prove that the use was in relation to the particular goods or services for which the registration is sought to be maintained.

18. In *Céline SARL v. Céline SA*, Case C-17/06 (*Céline*), the Court of Justice gave guidance as to the meaning of “use in relation to” goods for the purpose of the infringement provisions in Article 5(1) of the Directive. Considering a situation where the mark is not physically affixed to the goods, the court said at [23]:

“...even where the sign is not affixed, there is use “in relation to goods or services” within the meaning of that provision where the third party uses that sign in such a way that a link is established between the sign which constitutes the company, trade or shop name of the third party and the goods marketed or the services provided by the third party.”

19. The General Court has, on more than one occasion, proceeded on the basis that a similar approach applies to the non-use provisions in Article 43 of the Community Trade Mark Regulation. For example, in *Strategi Group*, Case T-92/091, the General Court said:

“23. In that regard, the Court of Justice has stated, with regard to Article 5(1) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989, L 40, p. 1), that the purpose of a company, trade or shop name is not, of itself, to distinguish goods or services. The purpose of a company name is to identify a company, whereas the purpose of a trade name or a shop name is to designate a business which is being carried on. Accordingly, where the use of a company name, trade name or shop name is limited to identifying a company or designating a business which is being carried on, such use cannot be considered as being ‘in relation to goods or services’ (*Céline*, paragraph 21).

24. Conversely, there is use ‘in relation to goods’ where a third party affixes the sign constituting his company name, trade name or shop name to the goods which he markets. In addition, even where the sign is not affixed, there is use ‘in relation to goods or services’ within the meaning of that provision where the third party uses that sign in such a way that a link is established between the sign which constitutes the company, trade or shop name of the third party and the goods marketed or the services provided by the third party (see *Céline*, paragraphs 22 and 23).

20. Those passages must be read together with the general requirements of proof of use in *Ansul* at [43] that there is genuine use of a trade mark where

¹⁸ BL O/472/11

the mark is used in accordance with its essential function namely to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services.”

75. Mr Perkins has given no evidence as to the branding used on food and drink sold at the picnic shop. There is no suggestion that the registered mark was affixed to the goods sold there. The goods could therefore have carried third party brands, or been in-house products, or some combination of the two. If they were in-house products, they could have been packaged in plain packaging (as at the Oasis Café) or they might have carried other marks. Consequently, there is insufficient evidence to show, by reference to the way in which the goods were packaged, that consumers would have regarded them as being sold under the mark used for the picnic shop. There is, however, evidence that the mark was used on the paper used to produce daily menu boards and price lists at the picnic shop during the relevant period. It is not, and cannot be, suggested that the registered mark on this headed notepaper was used in relation to any goods sold by reference to other marks. In my view, it is artificial to say that because no other mark was visible on the menus/price lists, the mark on the headed notepaper was therefore used in relation to any other goods. Without more, I do not consider that this use of the registered mark on headed notepaper establishes that it was used “*in relation to*” any of the goods sold at the picnic shop.

76. Finally, I turn to the significance of the use of the registered mark on lunch boxes provided at the Oasis Café during 2009 and whether this constitutes use of the mark in relation to the goods in the boxes. There is no evidence as to the scale of such use. More importantly, I do not think that the registered mark was being used in relation to the goods in the lunchboxes. In *Noble Foods Limited v McDonald's International Property Company Limited*¹⁹ Mr Iain Purvis Q.C. as the Appointed Person considered whether a hearing officer had been right to find that the use of HAPPY MEAL as a menu option in McDonald's restaurants, and on boxes used to serve special meals for children, constituted use of the mark in relation to the goods within the boxes. This was his conclusion:

“19. Turning to the facts of the present case, the mark HAPPY MEAL would be understood by the average consumer as indicating a subset of menu choices within the main McDonald's menu which can be used to acquire a fixed price meal in a special box including a children's toy.

20. Does this mean, applying Mr Alexander QC's test in *The Light*, that the mark HAPPY MEAL is being used to indicate that its proprietor is the origin of the foodstuffs appearing in the menu and delivered in the box? In my view it does not. The goods delivered in the box are separately and individually packaged. The origin of those goods is separately indicated on that packaging (the fizzy drinks are provided in cups bearing marks such as Coca Cola and

¹⁹ BL O/181/14

the food in wrappers or boxes bearing the McDonald's or 'golden arches' logos). It is not indicated by the name HAPPY MEAL on the box itself.

21. The Hearing Officer accepted (a finding which is not challenged) that the mark HAPPY MEAL is not being used as a trade mark in relation to the fizzy drinks served in as part of a HAPPY MEAL, because of the separate branding, but thought that the position of the burgers and chicken pieces was different. The reason she made this distinction was that the burgers and chicken pieces (although separately branded, like the drinks) are produced under the control of McDonald's, the same company which owns the HAPPY MEAL trade mark, and therefore there was a *'close integral relationship between them'* which did not apply in the case of the drinks.

22. It seems to me that this is a false distinction. One can test it by asking whether, if McDonald's were to acquire the business of Coca Cola, it would change the nature of the indication being given by the HAPPY MEAL mark. In my view it would not. The significance of the mark to the consumer would remain the same. The reason HAPPY MEAL is not being used in relation to fizzy drinks has nothing to do with the fact that the marks Coca Cola and HAPPY MEAL are controlled by separate companies. It is because the mark HAPPY MEAL is not an identifier of the origin of the contents of the menu or the contents of the box at all. It merely identifies the set of customer choices which have resulted in the meal selection inside the box. On that basis, no distinction can be drawn on this issue between the items of food and the items of drink. The factual connection between the company providing the HAPPY MEAL and the company manufacturing the burgers inside a HAPPY MEAL box is irrelevant." (emphasis added)

77. In this case there is no evidence that lunch boxes were identified on the menu of the Oasis Café by reference to the registered mark and/or selected by the public on the basis of that mark. In this respect the use under consideration here is even less convincing than the use shown in the *McDonald's* case. I find that the use of registered mark on the lunchboxes provided at the Oasis Café was merely a consequence of customers opting to purchase a children's lunch box. I have not overlooked the fact that the menus at the Oasis Café were written on headed paper which bore the registered mark, but for the reasons I have already given, I do not accept that this means that everything on the menu was therefore offered under the registered mark.

78. It follows that the mark should be revoked for all the goods for which it is registered.

79. In these circumstances, there is no need for me to reach a formal finding on the applicant's alternative claim for revocation for non-use based on the second (slightly later) period specified in the application for revocation.

The ground for revocation under s.46(1)(d)

80. This brings me to the ground for revocation under s.46(1)(d). I rejected this application at the hearing. These are my reasons. The applicant's pleaded case is absence of quality controls in the licence given to the current proprietor by ZSL in April 2008, and the absence of quality controls from the "licence" given to ZSL by the current proprietor in September 2011 renders the mark deceptive.

81. Mr Lykiardopoulos's skeleton argument suggested that the applicable law is as follows.

"The relevant date for assessment under s.46(1)(d) is the date of the application for revocation (*per* David Kitchin QC (as he then was) in *Elizabeth Emanuel* O-017-04). In the present case, that is 30 June 2014. Why these licence agreements from 2008 and 2011 have rendered the mark deceptive in 2014 is not explained.

There is no requirement for a trade mark licence to contain quality control provisions. In *Einstein Trade Mark* [2007] RPC 23, Mr Hobbs QC sitting as the Appointed Person said this at [35]:

In the interests of consumer protection, those Articles provide for the rights conferred by registration to be revoked if and in so far as use of the relevant trade mark in relation to goods or services of the kind for which it is registered is productive of actual deceit or a sufficiently serious risk that the consumer will be deceived: *Case C-259/04 Emmanuel v Continental Shelf 128 Ltd* [2006] E.T.M.R. 56, 750 at [46], [47]. They do not require the licensing of trade marks to be subject to the exercise of quality control, nor do they treat failure on the part of the proprietor to exercise control over the quality of his licensee's goods or services as automatically deceptive or misleading."

82. I agree that this is an accurate statement of the relevant law.

83. Mr Lykiardopoulos submitted that the applicant had not adequately explained its case for revocation under s.46(1)(d) and he therefore invited me to strike it out.

84. I agree that the applicant's case has not been properly explained or substantiated. I rejected it because:

- It follows from my earlier finding that the word GRAZE has a different distinctive character compared to the registered mark, that the marks used by ZSL and the current proprietor are (except for the current proprietor's use of the GRAZE recycling logo from May 2014) different marks.

- The concurrent use of the word GRAZE by the current proprietor and of the registered mark by ZSL up until September 2011 in relation to, on the one hand, snack products, and on the other hand, catering facilities at London Zoo, is sufficiently different that there was not, at 30 June 2014 (or at any other time) a “*sufficiently serious risk that the consumer will be deceived*”.
- The use of the GRAZE recycling logo by the current proprietor between May 2014 and 30 June 2014 occurred 2.5 years after ZSL ceased all use of the registered mark and assigned it to the current proprietor.
- In these circumstances there is no arguable case that the registered mark had become deceptive at the date of the application for revocation as a consequence of the use made of it by the proprietor or with his consent.

Outcome

85. The trade mark registration will be revoked with effect from 28 February 2014, except for:

‘Snack bar and cafeteria services’.

Costs

86. The applicant for revocation for non-use has been mostly successful. The application for revocation under s.46(1)(d) has failed and should never have been brought on the vague and unsubstantiated basis that it was.

87. In these circumstances I direct that each side should bear their own costs.

Dated this 6th day of July 2015

**Allan James
For the Registrar**