

TRADE MARKS ACT 1994

**IN THE MATTER OF AN APPLICATION (NO 9339)
BY T.D. REID (BRAIDS) LIMITED FOR A DECLARATION
OF INVALIDITY OF THE REGISTRATION IN RESPECT OF
TRADE MARK NO 1495844 REGISTERED IN CLASS 26
IN THE NAME OF ELASTEX LIMITED**

TRADE MARKS ACT 1994

5 **IN THE MATTER OF An Application (No 9339)**
By T.D. Reid (Braids) Limited for a Declaration
of Invalidity of the registration in respect of
Trade Mark No 1495844 registered in Class 26
in the name of Elastex Limited

10

DECISION

15 On 18 December 1996 T.D. Reid (Braids) Limited applied under Section 47 of the Act for a
declaration of invalidity in respect of the mark STARBRITE (No 1495844) registered in the
name of Elastex Limited with effect from 31 March 1992 for a specification of goods which
reads “elastic webs, ribbons, braids, tapes, edgings and trimmings for clothing; all included in
Class 26; but not including lace.”

20

The grounds for a declaration of invalidity are in summary:

- 25 i that the registered proprietors were not, and are not, the true proprietors of the
mark and thus the application for registration was made in bad faith. This goes
to Section 3(6) of the Act;
- ii that the applicants have a reputation and goodwill in the mark STARBRITE
and thus the registration offends against Section 5(4)(a) of the Act.

30 The registered proprietors failed to file a counterstatement but Kilburn Strode, their trade
mark attorneys of record, subsequently wrote to the Registry confirming the applicants’
understanding that the registered proprietors had been dissolved. In the circumstances they
indicated that they were unable to obtain instructions and were equally unable to file an
application for voluntary cancellation of the registration. They added that in their view it was
35 clear that the proprietors had no further interest in the registration and suggested that the
matter could be dealt with by the Registrar without the necessity for the applicants to be
required to file any substantial evidence. I should say that Kilburn & Strode’s letter does not
form part of the formal evidence in these proceedings but in the circumstances of the case I
consider that I can take note of its contents. As the registration in question was still valid at
40 the date the application was filed and no cancellation request has been received, the applicants
have had no option other than to pursue their action, there being no mechanism in the law for
summary judgement against the registered proprietors in these circumstances. The applicants
have asked the Registrar to decide the matter on the basis of the papers before him and
without recourse to a hearing. I now give that decision.

I propose to deal with the matter firstly under Section 3(6) of the Act. This section reads:

“A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

5

The applicants filed evidence in the form of a Statutory Declaration dated 29 August 1997 by Thomas David Reid, a Director of the applicant company. He provides a brief history of the trade mark STARBRITE which, he says, was used by Archibald Turner & Co (Holdings) Limited on an unregistered basis for several years prior to the date when Elastex Ltd filed their application for registration. Archibald Turner & Co (Holdings) went into liquidation in 1992 and the mark was used up to that date. The mark was subsequently assigned by the liquidators to the applicants together with goodwill. This was also in 1992 and the applicants have used it continuously since then. Mr Reid exhibits (TDR1) assignment documents showing various registrations being transferred from Archibald Turner & Co (Holdings) Ltd to the current applicants. The deed does not refer to the STARBRITE mark as such because it was an unregistered mark. Further information is given on the applicants' use of the STARBRITE mark, the nature of the business and sales volumes between 1991/92 and 1996/97. I do not think I need review this material further for present purposes. Finally Mr Reid exhibits (TDR2) a copy of a company search report attesting to the fact that Elastex Ltd has been dissolved.

It would, I think, be possible to identify weaknesses in the applicants' evidence. It is not, for instance, clear what the full extent of the use of the mark STARBRITE was before the date when Elastex Ltd filed their application. But I bear in mind that the applicants acquired the mark and other assets from the liquidators of Archibald Turner & Co (Holdings) Ltd so full historical records may have been rather difficult to obtain. Nevertheless a claim that a mark was applied for in bad faith is not one to be considered lightly. Had the registered proprietors still been in existence they might have been able to mount a successful defence by explaining the circumstances in which they came to adopt their mark. Making the best I can of the limited information before me I consider that the applicants have established a prima facie case. I do not know the size of the haberdashery trade but it seems to me that the likelihood of two traders independently adopting what are after all identical marks for the same goods must be somewhat limited. In the circumstances some explanation is called for and, in the absence of a statement from the registered proprietors, I think it would be unreasonable to expect the applicants to establish their case to the nth degree. Accordingly I find that Trade Mark No 1495844 was registered in bad faith contrary to Section 3(6) of the Act.

As the above finding effectively decides the matter and as I am further satisfied that the registered proprietors have been dissolved, I do not think I need consider the Section 5(4)(a) ground and I decline to do so.

I direct that Registration No 1495844 be declared invalid and removed from the Register and, in accordance with Section 47(6), shall be deemed never to have been made.

As the applicants have been successful they are entitled to a contribution towards their costs. There is, it would seem, little prospect of their receiving monies from the registered proprietors but I nevertheless order the latter to pay the applicants the sum of **£500**.

5 **Dated this 13th day of March 1998**

10

M REYNOLDS
For the Registrar
the Comptroller General