

**TRADE MARKS ACT 1938 (AS AMENDED) AND
TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION UNDER
NO 6897 BY HEMANT PATEL, FOR
RECTIFICATION OF THE REGISTER OF TRADE MARKS
IN RESPECT OF REGISTRATION NO 1035674 IN
THE NAME OF GILLIAN BRENNAN**

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**IN THE MATTER OF Application under
No 6897 by Hemant Patel, for
Rectification of the Register of Trade Marks
in respect of Registration No 1035674 in
the name of Gillian Brennan**

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DECISION

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The trade mark INEGA is registered under number 1035674 in Class 25 in respect of:

“Articles of outerclothing for men and women”.

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On 30 May 1991 Hemant Patel, of Harrow, Middlesex, applied for rectification of the Register of Trade Marks, by the complete removal of Registration number 1035674. The grounds for rectification, as stated on the Form TM26 are:

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a) the conduct of the proprietor has been such that the Registrar, in his discretion should remove the registration;

b) the mark wrongly remains on the Register by reason of its having been abandoned by the proprietor, and

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c) up to date one month prior to the date of this application, a continuous period of five years or longer has elapsed during which the trade mark was a registered trade mark and during which there was no bona fide use thereof in the United Kingdom in relation to goods for which the mark is registered, either by the proprietor or by any registered user.

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These are taken to be grounds based on the provisions of the Sections 26(1)(b) and 32 of the Trade Marks Act 1938.

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At the time these proceedings commenced the registration stood in the name of Steepleglade Limited. By a series of assignments, ownership of the registration passed through Quad Clothing Company Limited, Maincourse Limited, Looksmart Limited and finally to Occo Limited, (the latter were originally intervenors in these proceedings). Subsequently these proceedings were suspended pending the determination of a rectification action (No 9776) under the Trade Marks Act 1994 by Gillian Brennan who challenged the first of the above assignments (Steepleglade to Quad) and claimed to be the true proprietor. A decision was issued in these separate proceedings on 21 August 1998 (SRIS reference 0-173-98) as a result of which the Register has been rectified to show Mrs Brennan as proprietor.

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Mrs Brennan initially filed a Form TM27 (application to intervene) in order to become a party to this action. Following the decision in her favour in the separate rectification action (No 9776) under the Trade Marks Act 1994 her request to intervene was allowed. As she is now the proprietor of record I intend for convenience to refer to her as the registered proprietor rather than intervenor for the remainder of this decision.

Both sides filed evidence in these proceedings. Neither side has asked for a hearing. Acting on the Registrar's behalf, and after a careful study of the papers filed in these proceedings, I now give the following decision.

By the time this matter came to be decided, the Trade Marks Act 1938 had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. In accordance with the transitional provisions set out in Schedule 3 to that Act however, I must continue to apply the relevant provisions of the old law to these proceedings. Accordingly, all references in the remainder of this decision are references to the provisions of the old law.

The applicant's evidence was filed some time before these proceedings were suspended in order to allow Mrs Brennan's separate rectification action and claim to ownership to be determined. The applicant's evidence, therefore, is intended to establish the grounds pleaded against the previous proprietor, Steepleglade Ltd, and that company's claimed successors in title. In rectification action No 9776 it was held that

“On the basis of the information now made available by the Assistant Official Receiver it seems that any disposition of company property after the material date (in the compulsory winding up proceedings) of 7 May 1985 is void unless the court orders otherwise. The assignment from Steepleglade to Quad on 1 August 1985 falls within the prohibition and no court order having a contrary effect has been brought to my attention. I, therefore, find the assignment from Steepleglade to Quad Clothing to have been invalid and that the assignment from the liquidator to Mrs Brennan makes her the true proprietor of the mark. It follows that in this respect the rectification action is successful.”

Following the rectification of the Register to show Mrs Brennan as proprietor and the filing of evidence by her or on her behalf in the current action (in the defence of what is now her registration) the applicant for rectification was invited to file evidence. Furthermore as a different proprietor of record was now involved he was asked whether he wished to withdraw or amend any of the previously filed evidence. No response was received to indicate that the applicant wished to adopt all or any of these alternative courses. As the evidence originally filed on the applicant's behalf has not been withdrawn I am obliged to consider it. However I take the view that, in so far as the evidence goes to issues surrounding the use or non-use by companies whose claim to ownership derived from Steepleglade, it has no meaningful part to play in this action given the finding that the assignment from Steepleglade Ltd to Quad Clothing Company Ltd was invalid. What follows, therefore, is an extrapolation of that part of the applicant's evidence which might be said to go wider than issues to do with Steepleglade.

The applicant's evidence, filed under Rule 49, comprises Statutory Declarations by Mr George Myrants, the applicant's trade mark agent, and Mr Christopher Williams.

5 Mr Myrants states that in 1991 he made certain investigations as a result of which he advised his client's solicitors that the then registered proprietor (Steepleglade) had been struck off the Register of Companies and had been dissolved. Mr Myrants exhibits the Registrar's certificate in confirmation. In consequence, says Mr Myrants, he was instructed to file for rectification of the Register of Trade Marks. Mr Myrants then states that a protracted correspondence ensued, relating to the ownership of the mark. This correspondence appears to have been with the erstwhile trade mark agents for Steepleglade Ltd. In view of the subsequent developments I do not need to record Mr Myrants' comments.

15 Mr Myrants goes on to state that it is significant that during all that time no one-time or present-proprietor made any attempt to demonstrate use of the mark. From this, Mr Myrants concludes that there has been no use during the relevant period. He claims to have searched through indices of trade marks (held in his office) claimed by their proprietors to be in use, going back to the year 1986 but he was unable to find reference to the trade mark INEGA.

20 I next turn to consider the declaration of Mr Christopher Williams. Mr Williams states that he is a garment manufacturer and merchant. He has been in that industry for fifteen years and he claims to be knowledgeable about the clothing trade, particularly the casual wear section. He describes himself as an associate in the clothing trade of Mr Hemant Patel, the applicant for rectification.

25 His company has made and supplied clothing under labels such as ZOO, and to stores such as C & A, Zoo, Oasis and Top Shop.

30 Mr Williams' declaration deals with the supposed abandonment of the INEGA mark by Steepleglade Ltd and later events involving the companies who claimed to be proprietors by assignment from Steepleglade Ltd. For the reasons already given this evidence is no longer relevant.

35 Four statutory declarations have been filed by or on behalf of the registered proprietor as follows:

Gillian Brennan	-	dated 20 January 1997
John Brennan	-	dated 23 January 1997
40 Jennifer Anne Macray	-	dated 23 February 1997
James Spence Sealy Smyth	-	dated 19 May 1997.

45 For reasons which will become clear I do not need to undertake anything other than a brief review of this evidence.

Mrs Brennan explains the background to her acquisition of the mark and says that she and her husband commenced a trade in garments under the mark in early 1988. The first garments were T-shirts which they designed and printed and were sold direct to the public by Mr Brennan. She says that the business took a turn for the worse in November 1990 when she and her husband encountered personal and financial difficulties which I need not go into here. In early 1991 the business recommenced. She exhibits a copy of a sales invoice for woven labels (to replace previous printed ones) marked INEGA dated 3 April 1991. A further example of a faxed order confirmation falls outside the material period so I cannot take it into account.

Mr Brennan also describes and confirms the background to the business. He says it was his responsibility to sell the products. During the period January 1991 to March 1991 he says he sold goods under the mark to a retail outlet called "Flying Down To Rio" for re-sale to the public.

Ms Macray was the proprietor of the above mentioned business, "Flying Down To Rio" from May 1989 to December 1993. The business was established at the premises of Hyper Hyper at 26-40 Kensington High Street, London. She confirms that Mr Brennan was one of her suppliers and exhibits a sample of one of a batch of INEGA T-shirts sold to her during the period referred to by Mr Brennan.

Mr Sealy Smyth is a solicitor who acted for Mr and Mrs Brennan in the matter of the acquisition of the INEGA mark from the Official Receiver. His evidence was also filed in, and mainly relates to, rectification action (No 9776). I see no need to say any more about it as that separate action has now been determined in Mrs Brennan's favour.

That completes my review of the evidence. I now turn to consider the grounds for rectification.

Although these are not specified in the TM26, it seems clear that the principal ground is one of non-use during a five year period, and is brought under the provisions of Section 26(1)(b) of the Act, which reads as follows:

"26(1) Subject to the provisions of the next succeeding section, a registered trade mark may be taken off the register in respect of any of the goods in respect of which it is registered on application by any person aggrieved to the Court or, at the option of the applicant and subject to the provisions of section fifty-four of this Act, to the Registrar, on the ground either -

(a); or

(b) that up to the date one month before the date of the application a continuous period of five years or longer elapsed during which the trade mark was a registered trade mark and during which there was no bona fide use thereof in relation to those goods by any proprietor thereof for the time being."

5 The first matter to be considered is whether the applicant has the qualifying status demanded by the section, that he be person aggrieved. I am satisfied that the applicant is person aggrieved within the meaning of Section 26 of the Act because the presence of the mark on the Register constitutes a bar to the registration of a trade mark which he is seeking to register.

10 It is well established that in any proceedings brought under Section 26, the onus of proof of non-use rests on the applicants for rectification. Only if non-use is established in the prima facie case, does the burden of proof pass to the registered proprietor. I therefore turn to consider the applicant's evidence of non-use and decide if it is sufficient to transfer the burden of proof to the registered proprietor.

15 It is clear that the applicant for rectification's enquiries were initially directed towards the activity or inactivity of the (then) proprietor of record and that in the light of subsequent developments that effort was largely wasted and certainly of no relevance to my consideration of the matter as it now stands. Although the applicant has since been invited to reconsider his evidence in the light of the true proprietor's (Mrs Brennan) claim to have used the mark no further evidence has been filed and no amendment to the existing evidence has been made. The tribunal is invited to infer from Mr Myrants' unsuccessful efforts to find any evidence of use, that there had been no use of the mark during the relevant period. However, I do not think that the tribunal would be justified in drawing such an inference. The investigations do not show any attempt to trace use or non-use in the clothing market as a whole. Of course, that market is very large and the difficulties of mounting a thorough investigation into the use in it of any particular mark must be acknowledged. Nevertheless, it is clear that the Registrar would not be justified in removing a registration except upon very clear evidence that the terms of Section 26 had been met. In my view no evidence establishing a prima facie case of non-use has been filed in these proceedings.

30 Moreover, even had the applicant succeeded in establishing a prima facie case as required, it seems clear from the registered proprietor's evidence that there has been some use albeit on a limited scale during the relevant period (that is to say the five years up to 30 April 1991). It follows that the application under Section 26 does not succeed.

35 The terms of the application for rectification also refer to the mark's wrongly remaining on the Register; of its being abandoned, and also of the reason for removal arising from the conduct of the proprietor. These grounds appear to be founded in Section 32(1) of the Act, which states:

40 "32.-(1) Any person aggrieved by the non-insertion in or omission from the register of any entry, or by any entry made in the register without sufficient cause, or by any entry wrongly remaining on the register, or by any error or defect in any entry in the register, may apply in the prescribed manner to the Court or, at the option of the applicant and subject to the provisions of Section 54 of this Act, to the Registrar, and the tribunal may make such order for making, expunging or varying the entry as the tribunal may think fit."

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5 The first matter to be considered under Section 32 is the applicant's status as a person aggrieved by the registration in suit. I have, of course, already found the applicant to have that status under Section 26; the grounds of grievance being the same and equally valid under Section 32 it follows that the applicant has the requisite status. I therefore go on to consider the case in support of the application.

10 Here again, however, I find that there is insufficient evidence to justify removal from the Register. It is clear from the evidence filed in these proceedings that at the date of application for rectification, the mark had not been abandoned.

In the result I find that the application for rectification does not succeed on any of the grounds on which it was brought.

15 Dated this 4th day of June 1999.

20 M REYNOLDS
For the Registrar
the Comptroller General