

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 9773 BY
G.F.A. DES DOMAINES PRATS FOR REVOCATION OF
TRADE MARK NO 523292 IN THE NAME OF
ZHEJIANG CEREALS, OILS AND FOODSTUFFS
IMPORT AND EXPORT CO. LTD.**

TRADE MARKS ACT 1994

5 **IN THE MATTER OF Application No 9773 by**
G.F.A.Des Domaines Prats for revocation of
Trade Mark No 523292 in the name of
Zhejiang Cereals, Oils and Foodstuffs
Import and Export Co. Ltd

10

DECISION

15 Trade Mark no 523292 is registered in Class 32 for “beer; ale; porter; de-alcoholized
beverages”. The mark is the word PAGODA. It is registered in the name of Zhejiang Cereals,
Oils & Foodstuffs Import & Export Co. Limited.

20 By application dated 30 September 1997 G.F.A. Des Domaines Prats applied for this
registration to be revoked on the grounds that the mark has not been used in this country for
an uninterrupted period of five years up to the date three months before the date of the
application. This ground goes to Section 46(1)(b) of the Act.

25 The registered proprietor filed a counterstatement denying the above ground. It will be
convenient to record the supporting comments made

30 “ 1. The proprietors deny that within the period of five years following the date of
completion of the registration procedure, UK Registration No 523292 PAGODA has
not been put to genuine use in the United Kingdom by the proprietor or with his
consent. Use has indeed been made of the mark PAGODA in the UK since at least
1988 in respect of fermented liquors and spirits ¹or goods to the same description to
same by virtue of use of UK Registration No 523292 PAGODA for such goods
and/or use since 1988 of the following UK Registration:-

35	Registration No	<u>Mark</u>	<u>Goods</u>	Class/Registration Date
40	1555892	PAGODA BRAND & Chines Characters & Device	Alcoholic beverages, rice wine	33 (registered with effect from 8 December 1993)

¹ This was the original specification of goods in Class 43 of the pre 1938 system
of Classification of goods but has since been converted to the specification
shown at the start of this decision.

	1361818	PAGODA BRAND LABEL	Rice Wine	33 (registered with effect from 26 October 1988)
5	1573948	PAGODA BRAND	Wines & Rice wines	33 (registered with effect from 2 June 1994)

10 All of the above mentioned Trade Mark Registrations feature the word PAGODA or the Chinese transliteration of same are registered for goods which are identical to or of the same description to those goods covered by number 523292 PAGODA. It is therefore respectfully submitted that use of any or all of these registrations in the UK will count as use of number 523292 in any event. In addition, UK Registration Number 1361818 is formally associated with UK Registration 523292".

15 Both sides ask for an award of costs on their favour.

20 Both sides filed evidence. Neither side has requested a hearing. Acting on behalf of the Register and after a careful study of the papers I give this decision.

Applicants' evidence

25 The applicants filed a statutory declaration by James Clifford Setchell, a Trainee Trade Mark Attorney with Haseltine Lake Trademarks.

The declaration deals with three main things:

- 30 - it contains submissions to the effect that the three other registrations relied on by the proprietors are not similar to the mark under attack and so cannot assist them under Section 46(2)
- it contends that such use as has been shown in relation to 'cooking wine' and 'rice wine' does not assist the proprietors as they are different goods to those of the registration
- 35 - it exhibits (JSC1) a copy of an investigator's report which concludes that there has been no use of the mark PAGODA during a continuous five year period.

Registered Proprietors' evidence

40 The registered proprietors filed three statutory declarations, two by Zhu Zichun, their General Manager and one by F Mun Fu, Sales Manager of Temple Foods who are sales/import agents in relation to PAGODA products.

45

Mr Zichun's first declaration explains that the company acquired the registration under attack from another company and exhibits a selection of sales contracts/invoices/packing lists/labels showing use of the mark PAGODA. It also contains the following submission which goes, inter alia, to a point of law and which I will deal with later.

5

“UK Registration no.1361818 is associated with UK Registration No 523292. Therefore use of No.1361818 constituted use of No.523292. Furthermore it is respectfully submitted that use of Nos. 1555892, 1361818 and 1573948 by my company constitutes use of Registration No.523292 because the word PAGODA features within all of these registrations and the registrations cover fermented liquors and spirits or goods of the same description to same”.

10

His second declaration indicates that “use has been in relation to alcoholic drinks, de-alcoholised drinks and in particular rice wine and liqueurs” Approximate annual sales figures of US \$50,000 are given in respect of the UK for each of the years 1991 to 1997. In support of this are exhibited.

15

- Exhibit 1 - further examples of use of the mark
- Exhibit 2 - copies of invoices and bills of lading/advertising material
- Exhibit 3 - brochures and descriptive literature
- Exhibit 4 - photographs of exhibition stands
- Exhibit 5 - the marks used on labels, nameplates and packaging

20

Most of the remainder of Mr Zichun's declaration is a detailed commentary on the investigator's report exhibited to Mr Setchells declaration. As I do not consider that I need to rely on the investigator's report to reach a decision on this case it also follows that I do not need to review Mr Zichun's commentary on it. I should however record the following comments in response to Mr Setchells submissions.

25

“Mr Setchell concedes in Clause number 5 of his Declaration that my company has already proved use of the mark PAGODA in relation to cooking wine and rice wine. Such goods are all in the nature of alcoholic beverages. Therefore it is respectfully contended that the goods covered by UK registration number 523292, the goods upon which my company has demonstrated use of the mark in the United Kingdom and the goods covered by the applicant for revocation's UK application number 2107482 are all goods of the same description.”

30

35

Mr Fu gives evidence of his firm's involvement with the registered proprietors and says that the first shipment of PAGODA branded products was received in about 1996. He exhibits bills of lading relating to what appears to be cooking wine and/or rice wine. However both of the exhibits appear to carry dates outside the relevant period which I take to be 1 July 1992 to 30 June 1997.

40

That completes my review of the evidence.

45

Section 46(1) and (2) of the Act read as follows:

"**46.-** (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;
- (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;
- (c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered;
- (d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

(2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes."

In addition Section 100 of the Act is relevant. It reads:

"**100.** 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."

If I understand the registered proprietors' position correctly their main submission is that they can show use of related or associated marks on goods which are, to use their words, of the same description as the goods covered by the registration under attack. Such use, it is suggested, is a defence against this revocation action. I regard that submission as being fundamentally flawed but before considering it in detail I must deal with the question as to whether there has been any use on the goods of the registration itself in view of Mr Zichun's claim that "use has been in relation to alcoholic drinks, de-alcoholised drinks and in particular rice wine and liqueurs".

The specification of No. 523292 covers 'beer; ale; porter; de-alcoholized beverages' in class 32. I can see no evidence whatsoever of use on or in relation to beer, ale or porter. The evidence relates to the sale of rice wine and liqueur. These goods normally fall into Class 33 and I note that the other registrations referred to in the counterstatement are in that Class.

5 De-alcoholized wines are, however, to be found in Class 32. As this case has not been the subject of a hearing I have not had the benefit of submissions on the nature and classification of the proprietors' goods. I must, therefore, draw my own conclusions from the available exhibits. For present purposes de-alcoholized wine is taken to be a beverage containing no more than 1.2% alcohol by volume (see the entry on page 25 of Chapter 5 (Classification) of

10 the Registry Work Manual). Most of the exhibits refer to, or illustrate bottles of, rice wine with an alcohol content of 18 per cent by volume. A small number of exhibits point to different alcohol contents, some higher and some lower than 18 per cent but none lower than 14 per cent. Not surprisingly the liqueurs are considerably stronger. On that basis there has, in my view, been no use shown on de-alcoholized beverages or the other goods of the

15 specification. Furthermore no proper reasons for non-use are mentioned.

This brings me to the main plank of the registered proprietors' defence namely that use of Zhejiang's other (Class 33) registrations counts as use of No. 523292.

20 The proposition thus advanced by the registered proprietors is based on a misconstruction of the law. Section 46(1) makes it clear that use of the trade mark must be "in relation to the goods or services for which it is registered....". The evidence goes to use in relation to rice wine and liqueur (Class 33). Even if I assume that such goods are, or could be, similar to, say, the de-alcoholized beverages of the contested registration (in Class 32) the plain fact is that

25 they are not the goods for which the mark is registered. There is no defence available to a proprietor who can only show use on similar goods. The position can thus be contrasted in this respect with Section 26 of the Trade Marks Act 1938 which did provide for use on goods of the same description as a possible line of defence. On that basis the registered proprietors cannot succeed.

30 As the registered proprietors have also placed some reliance on Section 46(2) I will for the sake of completeness comment briefly on the position. The registrations referred to (Nos. 1555892, 1361818 and 1573948) are all composite marks consisting of the words PAGODA BRAND, the device of a pagoda, and Chinese script. In two cases these elements are also set

35 within the overall context of a decorative label. The test laid down in Section 46(2) is that the use must be in a form "differing in elements which do not alter the distinctive character of the mark in the form in which it was registered....". The test is not whether the respective marks have an element in common. The presence of the other elements in the registrations referred to (and used) puts the proprietors well outside the scope of Section 46(2) (see ELLE Trade

40 Marks 1997 FSR 529).

There are other difficulties with the registered proprietors' evidence in terms of being able to place much of the material in the context of use in the UK and within the relevant time frame. But in the circumstances I do not need to consider these points in detail.

In the event the revocation request is successful. I order that the registration be revoked in its entirety with effect from 30 June 1997.

5 The applicants are entitled to a contribution towards their costs. I order the registered proprietors to pay the applicants the sum of £635. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

10 **Dated this 24 day of July 2000**

15

M REYNOLDS
For the Registrar
the Comptroller General