

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No 11168 BY  
COAL PRODUCTS LIMITED FOR A  
DECLARATION OF INVALIDITY IN RESPECT  
OF TRADE MARK No 2188517 IN THE NAME OF  
ANGLIA WOODNET LTD**

## **TRADE MARKS ACT 1994**

### **IN THE MATTER OF Application No 11168 by Coal Products Limited for a Declaration of Invalidity in respect of trade mark No 2188517 in the name of Anglia Woodnet Ltd**

#### **DECISION**

1. Trade mark No 2188517 is registered with the following specification of goods in Class 4 :

“Charcoal, charcoal briquettes, firewood logs, coal, coal dust, coal briquettes, coke, pulverised coal, smokeless fuel, barbecue fuels, briquettes of straw and recycled material or other combustible material, all being firelighters, firelighters, fuel wood.”

2. The mark is as follows:



It stands registered from the filing date of 11 February 1999.

3. By application dated 20 October 1999 Coal Products Limited applied for a declaration of invalidity in respect of this registration. In doing so they rely on Section 47(1) and (2) of the Act. Specifically they say objection arises as follows:

- (i) under Section 3(1)(b) in that the mark is devoid of distinctive character;
- (ii) under Section 3(1)(c) as the mark is descriptive of products which are ‘sure to fire’;
- (iii) under Section 3(3)(b) “as by virtue of the substantial use which the Applicants have made of their trade mark since the date of first use, use of the Proprietors registration would be liable to deceive the public as to the nature, quality or geographical origin of the goods.”
- (iv) under Section 3(4) “by virtue of the substantial reputation and goodwill the Applicants have established in the trade mark, registration and use of the

Proprietors registration could be prohibited in the United Kingdom by any enactment or award [sic] of law, in particular the law of passing off.”

- (v) under Section 3(6) “as by virtue of the substantial reputation and goodwill the Applicants have established in their trade mark, the Proprietors will have known of the Applicant’s reputation, and therefore made use and applied for the trade mark in bad faith, knowing of that reputation.”
- (vi) under Section 5(4) having regard to the substantial use the applicants and their parent company CPL Industries Ltd have made of the mark SUREFIRE since July 1996 in respect of solid fuels and solid fuel briquettes. The applicants later confirm that this objection is based on their ability to succeed in a passing off action (Section 5(4)(a) refers).

4. The registered proprietors filed a counterstatement denying the above grounds.

5. Both sides ask for an award of costs in their favour.

6. Both sides filed evidence and indicated they would be content with a decision without recourse to a hearing. Written submissions were received from the applicants. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

7. This is one of two invalidity actions brought by Coal Products Ltd against registrations standing in the name of Anglia Woodnet Ltd. The other is application No 11167 directed against registration No 2184139. The evidence in each case is substantially the same. In this particular action it is as follows:

#### **Applicants’ evidence in chief**

Statutory Declaration of Alan Michael Fiddes

Exhibit AMF1

Exhibit AMF2

Statutory Declaration of Beverley J Bean

Exhibit BJB1

Exhibit BJB2

Exhibit BJB3

Exhibit BJB4

#### **Registered proprietors’ evidence**

Statutory Declaration of Anthony JS Davis

Exhibit 1

Exhibit 2

Exhibit 3

Exhibit 4

Exhibit 5

Exhibit 6

## Applicants' reply evidence

### Statutory Declaration of Alan Michael Fiddes

8. Mr Fiddes is the applicants' professional representative in this matter. Ms Bean is the Group Company Secretary of CPL Industries of which the applicant company is a wholly owned subsidiary. Mr Davis is the Chief Executive of Anglia Woodnet Ltd, the proprietors of the mark at issue and a Director and Company Secretary of Surefire Charcoal Ltd. I do not propose to offer a summary of this evidence but will draw on it as necessary in reaching my decision.

9. I will commence with the objections based on absolute grounds for which purpose I reproduce below the relevant parts of Section 3 of the Act:

3.-(1) The following shall not be registered -

- (a) .....
- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d) .....

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.

(2) .....

(3) A trade mark shall not be registered if it is -

- (a) .....
- (b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).

(4) A trade mark shall not be registered if or to the extent that its use is prohibited in the United Kingdom by any enactment or rule of law or by any provision of Community law.

(5) .....

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

10. The applicants' position is that an earlier application of their own for registration of the mark SUREFIRE was refused by the Registry on the basis that it was devoid of distinctive character for "reliable and effective goods for use in producing fire". It is suggested that "for the particular goods, the particular stylisation used by the proprietor in fact increases the descriptiveness of the trade mark, making it clear that the goods are aimed at products relating to 'fires' by the use of flames".

11. The mark applied for is the word SUREFIRE with a device of flames. The applicants have some use of the mark but the turnover figure for 1999 of £5800 is by any standard a very modest sum and Mr Davis does not say what proportion (if any) fell in the period before the filing date of the application (11 February 1999). I, therefore, treat the mark as an unused one at the material date.

12. The applicants have provided no evidence as to whether a flame device (used within lettering) is common to the trade. I would, however, be surprised if such a device was seen by customers as contributing significantly to the distinctive character of the mark. I note too that the applicants' exhibit JBJ1 also shows a flame/fire device albeit separately from the word SUREFIRE rather than contained within the lettering.

13. The word SUREFIRE (it is presented as a single word) may well be taken as, and is probably intended to be, an allusion to the capabilities of the goods, these being firelighters and other fuel items. However marks are often a matter of impression and it does not immediately strike me as a particularly natural or readily adapted combination of words to describe the intended purpose. It would, I think, require some deconstruction of the mark to reach a position where it could be said to have anything approaching direct descriptive significance. Simon Thorley QC, sitting as the Appointed Person in FRESH BANKING Trade Mark, 1998 RPC 605, was referred to possible advertising usage of the mark in combinations such as FRESH BANKING IDEAS, FRESH BANKING STYLE etc. I do not find it easy to see how the mark at issue here could be open to objection on such a basis. I also bear in mind that the word SUREFIRE has a meaning of its own. Collins English Dictionary records it as an informal expression signifying 'certain to succeed or meet expectations; assured'. That cleverly allusive reference is present here. As Mr Fiddes points out in his reply evidence, the registered proprietors' own evidence includes examples of packaging which carry references such as "For natural SUREFIRE results follow these tips for use". In the packaging example the mark SUREFIRE is picked out in the format of the registration. It would, in my view, be seen as an intended play on the dictionary meaning of the term. Simply because it is possible to use a mark in this way does not automatically render it open to objection under Section 3(1)(b) and/or (c). In this case it does not in my opinion do so. For these reasons I am not prepared to say that for the purposes of Section 3(1)(c) the mark consists exclusively of a sign or indication which may serve in trade to designate a characteristic of the goods. Nor in my view is the mark devoid of any distinctive character for the purposes of Section 3(1)(b). These objections fail.

14. The Section 3(3)(b) and 3(4) objections have been pleaded in terms of the applicants' own use and reputation. The wording of the latter in particular (referring as it does to the law of passing off) reinforces my view that these objections are misconceived. They are in fact relative grounds masquerading as absolute grounds. I do not propose to consider them further.

15. The Section 3(6) ground is open to the same criticism. There is no reason to suppose that the registered proprietors were aware of the applicants' mark at the filing date of their own application or that there had, for instance, been previous business dealings between them which might have cast doubt on the honesty with which the registered proprietors came to adopt their mark. Furthermore it appears that at the relevant date the applicants' use had largely been confined to Scotland, some way from where the registered proprietors have their base and have since been operating (East Anglia). There is in my view no basis for a finding of bad faith.

16. That brings me to the ground based on Section 5(4)(a) of the Act. This reads:

"5.-(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) .....

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

17. The conventional test for determining whether a party has succeeded under this section has been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] RPC 455. Adapted to invalidity proceedings, the three elements that must be present can be summarised as follows:

(1) that the applicants for invalidity's goods have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the registered proprietors (whether or not intentional) leading or likely to lead the public to believe that goods offered by the registered proprietor are goods of the applicants for invalidity;

(3) that the applicants for invalidity have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the registered proprietors' misrepresentation.

18. The very full guidance given in the *WILD CHILD* case by Mr Hobbs by reference also to Halsbury's Laws of England can be found at pages 460 and 461 of that decision.

19. The applicants' evidence as to their goodwill comes from Beverley Bean. The main points to emerge can be summarised as follows:

- the applicants are part of a group of companies which collectively are UK market leaders in the provision of solid fuels. They had their origin as a division of British Coal in the 1950s. The companies of the group claim a 50 percent share of the UK market in solid fuels generally
- the group has an advertising budget of £500,000 per annum. Sample advertisements are at BJB3 but do not specify the SUREFIRE mark
- the mark SUREFIRE has been used since August 1996 specifically in relation to a smokeless manufactured fuel ovoid which is used for closed appliances. An example of packaging showing the mark is at BJB1
- from the date of first use up to the relevant date turnover has been as follows:

|      |   |            |
|------|---|------------|
| 1996 | - | £ 264,852  |
| 1997 | - | £ 771,531  |
| 1998 | - | £1,226,911 |
- the market for the particular product is said to be a small one. The applicants consider they have a 5% share of this particular market
- SUREFIRE is a trade mark which is used for the Scottish market. The same product is sold under the name TAYBRITE in the rest of the UK (the point is illustrated in BJB2)
- the applicants' goods require authorisation under the Clean Air Act 1993. Exhibited at BJB4 is a copy of Statutory Instrument 1997 No 2658, The Smoke Control Areas (Authorised Fuels) (Amendment) Regulations 1997 which refers specifically to the Taybrite and Surefire marks. The SI lays down requirements as to the product's composition, manufacturing process, shape and sulphur content.

20. The registered proprietors have not sought to challenge any of the above. I conclude that the market for the applicants' goods is a narrow one and that it is strictly controlled. The applicants have a significant but not dominant share of that market. Their leading position in the industry is likely to facilitate the introduction of new products and associated brands. The use has been geographically concentrated. It would have been more difficult to establish a reputation if the use had been spread throughout the UK. The formal recognition of the SUREFIRE briquette product in the SI referred to above does not in itself further the claim to use but it does confirm the somewhat closed nature of the market and the strict control over the players in that market. On the evidence before me I accept that at the material date of 10 December 1998 the applicants could reasonably claim goodwill in the marketplace and were known by the name SUREFIRE (presented in a relatively unstylised way) and/or with a coal fire flame effect device.

21. The registered proprietors' evidence is given by Mr Davis. He says that:

“Surefire charcoal is British lumpwood charcoal and is currently sold into 18 direct retailers and 2 wholesalers in East Anglia. The product has a regional focus, but is available nationally via the 2 wholesalers or by request. The product was recently sold into the local Safeway store and garage, as part of their initiative to supply more ‘locally produced’ products. This has been supported with 2 sales promotion events. Surefire Charcoal Limited also supplies speciality firewood for barbeque smokers.

The approximate annual sales turnover of goods sold under the Surefire trade mark in the United Kingdom is:-

|      |       |
|------|-------|
| 1999 | £5800 |
| 2000 | £9300 |

A contract to supply 4000 tonnes of woodchip for energy under the Surefire Trade Mark (No 2188517) has been secured for 2001.”

22. It seems, therefore, that the registered proprietors' products are primarily wood based for firelighting purposes. Mr Davis suggests in his evidence that “The Surefire Trade Mark represents renewable wood energy, such as firewood, charcoal and woodchip. This does not include coal as it is not a renewable source of energy”. However, the proprietors' specification of goods is cast in wider terms (than wood based products) and is geographically unrestricted. It would cover, for instance, coal and coke products and products in briquette form which is precisely the area the applicants are in (the SI referred to above specifies the applicants' product as being in ‘pillow-shaped briquette’ form). Taking account of notional use across the breadth of the specification applied for I find that the registered proprietors could offer goods which are substantially the same in content and appearance as those of the applicants. It seems highly likely therefore that, in terms of the passing off test, there would be a misrepresentation (though not, I think, an intentional one) that is likely to lead the public to believe that goods offered by the registered proprietors are goods of the applicants.

23. In *Mecklermedia Corporation v D C Congress Gesellschaft mbH*, 1997 FSR 627 Mr Justice Jacob said:

“Now in some cases one does indeed need separate proof of damage. This is particularly so, for example, if the fields of activity of the parties are wildly different (e.g. *Stringfellow v McCain Foods (G.B.) Ltd* [1984] R.P.C. 501. CA, nightclub and chips). But in other cases the court is entitled to infer damage, including particularly damage by way of dilution of the plaintiff's goodwill.”

24. It seems to me that in the circumstances of the case before me damage, can be inferred. The result is that I find the Section 5(4)(a) ground to be made out and the application succeeds in this respect.

25. The application has succeeded under Section 47(2)(b)/5(4)(a). In accordance with Section 47(6) the registration will be declared invalid and be deemed never to have been made.



The applicants are entitled to a contribution towards their costs. I order the registered proprietors to pay them the sum of £400. This matches the award in the separate action between the parties. The two cases have not been consolidated. The evidence is substantially the same in each case. The cost award has been adjusted to reflect the resulting 'economies of scale'. The above 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.

Dated this 13<sup>TH</sup> day of July 2001

M REYNOLDS  
For the Registrar  
the Comptroller-General