

TRADE MARKS ACT 1994

**IN THE MATTER OF AN INTERLOCUTORY HEARING
IN RELATION TO AN APPLICATION FOR REVOCATION
ON THE GROUNDS OF NON-USE (No 12215) BY DE RIGO SPA,
OF REGISTERED TRADE MARK No 2008994 IN THE NAME OF
R. MAHTANI.**

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**IN THE MATTER OF an interlocutory hearing in relation
to an application for revocation on the grounds of non-use (No 12215)
by De Rigo SpA, of registered trade mark No 2008994
in the name of R. Mahtani,**

BACKGROUND

1. The trade mark **POLICE** (No 2008994) stands registered as of 4th November 1994 in Class 3 for the following goods:

“Perfumes, non medicated toilet preparations, cosmetics, essential oils, soaps, shampoos, preparations for the hair and scalp, personal deodorants and anti-perspirants, after shaves, eau de toilettes; all included in Class 3”.

2. The registered proprietor is shown as R. Mahtani of London, England.

3. On the 17th January 2001, De Rigo SpA (the applicants for revocation on the grounds of non-use - hereinafter “the applicants”) filed for the registration to be revoked under the terms of section 46(1)(a) of the Act on the basis that the mark the subject of the registration has never been used in the United Kingdom by the registered proprietor or with her consent in respect of any of the goods for which it is registered for an uninterrupted period of at least five years prior to the date of the application for revocation and that there are no proper reasons for this non-use.

4. After some initial clarification by the Trade Marks Registry of the statement of grounds filed by the applicants, the registered proprietor was invited to defend the registration as per the terms of rule 31(2), if they so wished.

5. On the 14th May 2001, the registered proprietor duly filed a Form TM8 (notice of counterstatement) and a counterstatement as per rule 31(2). The counterstatement in essence denied all of the allegations in the statement of grounds and in accordance with sub-paragraph (a) of rule 31(2), the registered proprietor filed what in her view amounted to “evidence of use made of the mark”.

6. However, in a letter dated 14th June 2001, one of the registrar’s officers wrote to the registered proprietor notifying her of the registrar’s preliminary view that the evidence filed in support of the registration did not amount to actual use of the trade mark by the registered proprietor or with her consent. She was informed that consequently the requirements of rule 31(2) had not been met and the evidence could not be admitted in to the proceedings.

7. On the 6th July 2001, the registered proprietor responded to that letter via her representatives, Lawrence Jones Solicitors. That reply stated surprise at the Registry’s preliminary view of the evidence filed and gave reasons why. It said:

“...The evidence we had supplied so far was a Distribution Agreement entered into between my client and Linex Limited which shows that she had licenced the trade mark out to Linex Limited which in our opinion is actual use of the trade mark as she had licenced it out to manufacturers who are using this”.

8. That letter also stated:

“In addition however we now submit to you advertising material showing actual use of the trade mark on the perfume range that our clients are now in the business of.”

9. The Registry responded on the 17th July 2001 saying that the registrar did not consider that the further submissions provide any further examples of use of the trade mark and maintaining the preliminary view. The registered proprietor was invited to request an interlocutory hearing on the matter if she disagreed with this view.

10. This the registered proprietor duly did on the 3rd August 2001 and in the same letter requested that she be allowed to submit further evidence of actual use of the trade mark in question at the hearing or earlier.

11. That hearing took place before me on the 6th September 2001, where the registered proprietor was represented by Mr Thomas Mitcheson of Counsel, instructed by Lawrence Jones Solicitors and the applicants were represented by Mr Ian Gill of AA Thornton & Co.

12. Both sides filed skeleton arguments prior to the hearing.

THE HEARING

13. There were essentially three issues to be decided at the hearing:

- (a) Whether the registrar’s preliminary view to reject the registered proprietor’s evidence submitted under rule 31(2) was correct?
- (b) Whether the registered proprietor’s request to admit further evidence in to the proceedings could be allowed?.
- (c) A costs issue.

14. Having read the skeleton arguments and heard submissions from both parties, my decisions on the above three issues were respectively:

- (a) I accepted the evidence as filed by the registered proprietor under rule 31(2)
- (b) I allowed the registered proprietor one month from the date of the hearing in which to submit the further evidence requested. I did this under the provisions of rule 31(8).

- (c) I directed that the registered proprietor should pay the applicants £200 because of failures to copy relevant papers to them during the course of the proceedings to date.

15. I issued these decisions to the parties in a letter dated 7th September 2001. As a result of those decisions, the applicants filed a Form TM5 requesting a statement of grounds of my decision.

GROUNDINGS OF DECISION

Acceptance of registered proprietor's evidence under rule 31(2)

16. Registration No. 2008994 is under threat of revocation on the grounds of non-use under the terms of section 46(1)(a) of the Act. This states:

“**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;”

17. The rule which governs procedure under this section of the Act is rule 31 of the Trade Mark Rules 2000. This states:

“**31.** - (1) An application to the registrar for revocation under section 46(1)(a) or (b) of the registration of a trade mark shall be made on Form TM26(N) together with a statement of the grounds on which the application is made; the registrar shall send a copy of the application and the statement to the proprietor.

(2) Within three months of the date on which a copy of the notice and statement is sent by the registrar to the proprietor, the proprietor may file a counter-statement, in conjunction with notice of the same on Form TM8 and either:

- (a) two copies of evidence of use made of the mark; or
- (b) reasons for non-use of the mark.

Where such a notice and counter-statement, and evidence of use of the mark or reasons for non-use of the mark, are filed within the prescribed period, the registrar shall send a copy of the Form TM8 and the counter-statement, and the evidence of use of the mark or the reasons for non-use of the mark, to the applicant.

(3) Where a counter-statement, in conjunction with a notice of the same, on Form TM8, and evidence of use of the mark or reasons for non-use of the mark, are not filed by the proprietor within the period prescribed by paragraph (2), the registrar may treat his opposition to the application as having been withdrawn.

(4) Within three months of the date upon which a copy of the Form TM8 and counter-statement is sent by the registrar to the applicant, the applicant may file such evidence as he may consider necessary to adduce in support of the grounds stated in his application and shall send a copy thereof to the proprietor.

(5) If the applicant files no evidence under paragraph (4) above in support of his application, he shall, unless the registrar otherwise directs, be deemed to have withdrawn his application.

(6) If the applicant files evidence under paragraph (4) above or the registrar otherwise directs under paragraph (5) above, the proprietor who has filed a notice and counter-statement under paragraph (2) above may, within three months of the date on which either a copy of the evidence or a copy of the direction is sent to him, file such further evidence as he may consider necessary in support of the reasons stated in the counter-statement and shall send a copy thereof to the applicant.

(7) Within three months of the date upon which a copy of the proprietor's evidence is sent to him under paragraph (6) above, the applicant may file evidence in reply which shall be confined to matters strictly in reply to the proprietor's evidence, and shall send a copy thereof to the proprietor.

(8) No further evidence may be filed, except that, in relation to any proceedings before her, the registrar may at any time if she thinks fit give leave to either party to file such evidence upon such terms as she may think fit.

(9) Upon completion of the evidence the registrar shall request the parties to state by notice to her in writing whether they wish to be heard; if any party requests to be heard the registrar shall send to the parties notice of a date for the hearing.

(10) When the registrar has made a decision on the application she shall send the parties to the proceedings written notice of it, stating the reasons for her decision; and for the purposes of any appeal against the registrar's decision the date when the notice of the decision is sent shall be taken to be the date of the decision".

18. Rule 31(1) was correctly complied with by the applicants. The registered proprietor, to comply with rule 31(2), filed within the prescribed period, a Form TM8 and a counter-statement, in conjunction with the following documentation in an effort to fulfill sub-paragraph (a) of that rule:

- (a) a statutory declaration by the registered proprietor herself (Rekha Mahtani)
- (b) a copy of a distribution agreement between herself and a firm by the name of Linex Limited
- (c) copies of correspondence between herself and other parties relating to the marketing, licensing and distribution of the goods covered by the registration.

19. It was this documentation which rejected by the registrar in her letter of 17th June 2001 as not constituting actual evidence of use of the trade mark by the registered proprietor or with her consent.

20. The rejection of these documents was in line with the registrar's practice in the initial assessment as made by her officers in the Trade Marks Registry in such proceedings. The sort of evidence looked for is set out in the Trade Marks Registry work Manual at Chapter 15 ("Law Section"), in particular at Section 5.12 "Evidence; revocation based on non-use".

"The evidence should be submitted in the form of a Statutory Declaration or Affidavit. The evidence should show the use made of the mark during the five years immediately preceding the application for revocation. It should also confirm that the use over this period has been of a continuous nature, that the mark has been used in the form that it appears on the register.

It is not intended at the Counterstatement stage that the registered proprietor files full evidence, for example, it is not necessary to give turnover or advertising details but just to show that use of the mark has been made by his providing eg invoices or packaging material. Section 100 of the Trade Marks Act 1994 makes clear that the onus is on the registered proprietor to "show what use" has been made of the mark...

Exhibits should be supplied showing the range of the goods or services on which the mark has been used. Alternatively, if the application for revocation affects some, but not all of the goods or services, the evidence should at least show the use made on these goods or services".

21. The applicants in their submissions at the hearing and in their skeleton arguments of course agreed with the registrar's preliminary view. At paragraph 4 of his skeleton argument, Mr Gill said:

“We agree with the Registrar in that the evidence of use filed does not satisfy the requirements of rule 31(2)...The registered proprietor is required to show “genuine use” of his mark within the relevant period. We refer you to *Euromark Designs Incorporated v Peters* and another 25 July 2000 ALL ER (D) 1050 where Jacob J. states that “Genuine use” must involve that which a trader or consumer would regard as a real or genuine trade in this country”. The registered proprietor has failed to do this...or... to demonstrate “genuine use” *inter se*”

22. Mr Mitcheson argued the registrar’s view and that of the applicants was putting the evidential onus too high at this early stage in the proceedings - ie at the rule 31(2) stage. Mr Mitcheson submitted that what had been filed by the registered proprietor at least amounted to a prima facie case of use and that was all that was required at this stage of the proceedings in conjunction with the TM8 and counterstatement in order to show a clear intention to defend the challenged registration. The veracity of that evidence can then be tested after an assessment of the full evidence has been made and after a full hearing on its merits is held, if necessary. He added that it would be improper for such a decision to be made administratively at this preliminary stage without allowing the proceedings to take their full course. He further drew my attention in some detail to the evidence as filed under rule 31(2) by the registered proprietor and in particular to a letter dated 1st September 1998 from the registered proprietor to the applicants referring them to the promotion of the products sold under the POLICE brand in the United Kingdom between 1996 and 1998. He said that this evidence was sufficient to defeat the application for revocation or that at the very least it would be unjust for the registrar to allow the application at this stage, especially in view of the additional evidence the registered proprietor had requested to be allowed in to the proceedings, which in itself showed clear use of the mark in suit.

23. It can be seen from the foregoing that I accepted the evidence as originally filed by the registered proprietor as being admissible evidence for the purposes of rule 31(2). In order to examine my reasons for doing this, it might be helpful to consider the background to the Act and the rules as we now have them and go back to the White Paper issued in September 1990 and entitled “Reform of Trade Marks Law”. This was the precursor to the implementation of the EC Trade Marks Directive and other changes to the trade marks law, as embodied in the Trade Marks Act 1994.

24. In relation to what is entitled “Sanctions for non-use of the trade mark”, a chapter which begins on page 23 of the White Paper at paragraph 4-30 it states:

“Under the present law [that being the Trade Marks Act 1938] the onus of establishing that a trade mark is not being used rests on the person who is seeking removal of the mark from the register on the grounds of non-use, generally someone who wishes to register and use an identical or similar mark and who would be inhibited by the presence on the register of the allegedly non-used mark. It is however, difficult and time consuming to have to prove a negative, whereas if a trade mark is in fact being

used it is a straightforward matter for the proprietor to demonstrate this. The law will therefore provide for a person who is affected by the presence of a mark on the register, for example, a person who has applied to register an identical or similar mark or who is threatened with infringement proceedings, to call upon the proprietor to produce evidence of use. Failure to produce such evidence will be treated as an admission of non-use”.

25. As can be seen from the above, rule 31(2) was therefore intended to be part of a “straightforward” process by which a registered proprietor can defend a used trade mark if challenged. Rule 31(2) however, is not an exclusive chance to show use of a challenged trade mark. That can be seen by rule 31(6), which allows the registered proprietor to file “such further evidence as he may consider necessary” in order to do so.

26. The question is how much evidence is sufficient to cross the hurdle posed by rule 31(2) and allow the proceedings to continue? Taking the wording of section 46(1)(a) and rule 31(2) in conjunction, there is clearly an onus on the registered proprietor at the outset to provide some evidence that the trade mark the subject of the application for revocation was in use during the relevant period. In that connection I note Section 100 of the Act, which deals with the burden of proving use of a trade mark states:

“**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”. [Emphasis added]

This suggests to me that in revocation proceedings for non-use, the evidence must be more than mere assertion that the trade mark in question has been used.

28. The reference from the Registry Work Manual above, shows the kind of evidence that would normally be expected to be provided. The evidence of the registered proprietor in these proceedings was clearly then not typical of what is expected. However, the guidance in the Registry Work Manual merely gives examples of what is required. The registrar cannot dictate the kind or the extent of the evidence filed by the parties in any proceedings before her. What is clear by virtue of rule 31(6) is that the evidence required at the rule 31(2) stage need not be the entirety of what the registered proprietor has to or intends to file. That would be too burdensome and unrealistic in most cases, in view of the fact that the period set under rule 31(2) is non-extendable - see rule 68(3) - and that the ultimate consequence of non-compliance with rule 31(2) can in effect be summary revocation of a prima facie validly registered trade mark - see rule 31(3).

29. In my view, the evidence supplied under rule 31(2) should be sufficient to show that the registered proprietor is seeking to defend themselves against the allegation of non-use and that it at least presents an arguable case under section 46(1)(a). In the present proceedings, the evidence supplied was deemed to have fallen short of what the registrar might normally expect

to see and in that respect, in view of the guidance from the Work Manual above, the preliminary view of the Registry was understandable. However, at the hearing, with the benefit of submissions from both parties, in particular as referred to in paragraph 22 above, I was on balance, satisfied that the said requirements had been met, if only just.

Admittance of registered proprietor's further evidence

30. In their letter of 3rd August 2001, the registered proprietor's representatives requested a hearing and to submit further evidence of actual use of the trade mark in question at the hearing or earlier. Mr Mitcheson's skeleton arguments relating to the additional evidence the registered proprietor wished to file, included examples of this additional evidence.

31. As it had been my decision that the evidence submitted by the registered proprietor at the rule 31(2) stage was sufficient for the proceedings to continue into the further statutory evidence rounds, I suggested to Mr Mitcheson at the hearing that it was possibly unnecessary to allow the additional evidence requested by the registered proprietor to be admitted at this stage in to the proceedings because there is provision to do so at rule 31(6).

32. However, Mr Mitcheson preferred to argue for its inclusion now under the provisions of rule 31(8). I heard submissions from both sides as to whether this provided me with the correct means to admit the evidence requested, or whether rule 57 was perhaps more appropriate.

33. Rule 57 states:

“57. At any stage of any proceedings before the registrar, she may direct that such documents, information or evidence as she may reasonably require shall be filed within such period as she may specify”.

34. Mr Gill argued strongly against either means saying that there was no justification for allowing in the requested evidence at this stage in the proceedings given that there was already statutory provision for further evidence to be filed under rule 31(6) and that the effect of allowing in the requested evidence now would confuse the chronology of the prescribed evidence rounds.

35. On reflection, I concluded that in this case there was justification for allowing in the evidence requested by the registered proprietor at this stage in the proceedings and that rule 31(8) was the correct mechanism for doing so. Where rule 31(2) is fulfilled (as I found in this case), rule 31(8) may be utilised to provide “further evidence” where the registrar thinks it is appropriate to do so. In this case I feel the examples of the evidence I had sight of at the hearing would go some way in illuminating the rest of the proceedings in order that the salient

issue of non-use of the trade mark in question can be properly determined. This must be in the public interest.

36. It seemed to me that allowing the evidence in to the proceedings at this early stage when it was available and there was a request to do so, would potentially be the most efficient means of progression. The applicants have early sight of what they are up against, so to speak, and can withdraw their application or tailor their own evidence as necessary. Potentially also, if the proceeding do continue, it might avoid the need for the registered proprietor to file further evidence at the rule 31(6) juncture.

37. However, in view of any concerns from the applicants over the chronology of the statutory provisions in the rule 31 due to the further evidence of the registered proprietor having been admitted under rule 31(8), I set out how the remainder of these proceedings may progress:

- (a) the rule 31(4) period for the applicants to file their evidence will then be set, in which they may file such evidence as they think necessary to support their application for revocation.
- (b) If as a result of this evidence (and bearing in mind that rule 31(8) evidence has already been admitted in to the proceedings), the registered proprietor deems it necessary to file any further evidence under rule 31(6), then this should be done within the period that will be set.
- (c) The applicants will then have the opportunity to file evidence strictly in reply to this rule 31(6) evidence as per rule 31(7). If no rule 31(6) evidence is filed by the registered proprietor, there will be no necessity for the applicants to utilise the provisions of rule 31(7).
- (d) However, in the event the applicants feel they have not had the opportunity to properly address the registered proprietor's evidence admitted under rule 31(8), let me remind the applicants that the registrar may also utilise the discretion under rule 31(8) in their favour in the event of any request by them to file further evidence.

Costs issues

38. I heard submissions on a related costs matter at the hearing and directed the registered proprietor to pay the applicants the sum of £200 within one week after the final determination of any appeal against my decisions at the hearing. The applicants have filed the TM5 to

request this grounds of decision on (I assume) those matters on which I decided in favour of the registered proprietor. As such I need say no more on the cost issues.

Dated this 21ST Day of March 2002

G J Rose'Meyer

For the Registrar

The Comptroller-General