

**TRADE MARKS ACT 1994**

**IN THE MATTER OF AN APPLICATION  
UNDER NUMBER 11776 BY WAL-MART STORES INC  
FOR A DECLARATION OF INVALIDITY IN RESPECT OF  
TRADE MARK NUMBER 2170828A  
IN THE NAME OF OZARK-LONDON LIMITED**

## TRADE MARKS ACT 1994

**IN THE MATTER OF an application  
under number 11776 by Wal-Mart Sores Inc  
for a Declaration of Invalidity in respect of  
trade mark number 2170828A  
in the name of Ozark-London Limited**

### DECISION

1. Trade mark registration No. 2170828A is in respect of the mark OZARK and is registered in Classes 9, 14, 20, 24 and 27 in respect of:

- |                 |   |
|-----------------|---|
| <b>Class 9</b>  | Sunglasses, sunglass cases, spectacles, spectacles frames and spectacle cases and goggles.  |
| <b>Class 14</b> | Jewellery and costume jewellery; bracelets, earrings, necklaces, chains, charms, broaches and ornamental pins; articles of precious metal or coated with precious metal; watches, watch cases, watch bands and watch straps.  |
| <b>Class 20</b> | Furniture, mirrors and picture frames.  |
| <b>Class 24</b> | Textiles; textile piece goods; bed linen; bed spreads, blankets, coverlets, eiderdowns, quilts, duvet covers, mattress covers, pillow cases, sleeping bags, bath linen; towels, face towels; table linen; table covers, table cloths, place mats of textile, table mats; household linen; furniture coverings of textile and plastics; cushions, covers for cushions; loose covers for furniture; curtain holders of textile; blinds of textile; handkerchiefs; tea towels, tea cloths. |
| <b>Class 27</b> | Wall coverings; wallpaper, wall hangings (not of textile); floor coverings; carpet, carpet underlay, carpet for automobiles; artificial turf; mats, bath mats, door mats, rugs, linoleum; vinyl floor coverings.  |

2. The registration currently stands in the name of Ozark-London Limited.

3. By an application dated 26 July 2000, Wal-Mart Stores Inc applied for the registration to be declared invalid on the following grounds:

- |                              |   |
|------------------------------|---|
| <b>Under Section 3(1)(b)</b> | the mark is devoid of any distinctive character because it is a geographical place name.  |
| <b>Under Section 3(1)(c)</b> | because the mark is a geographical place name.  |
| <b>Under Section 3(3)(b)</b> | because Ozark is a geographical place name it will deceive the public as to the origin of the goods if they did not originate from Ozark. |

**Under Section 3(6)**

because at the time of application the proprietors were aware of the applicant's adoption, use and registration of the trade mark OZARK TRAIL and that the proprietors had visited the applicants and engaged in discussions.

**Under Section 5(2)(b)  
& Section 56**

because the mark applied for is similar to the applicant's OZARK TRAIL trade marks and is registered in respect of the same or similar goods such that there exists a likelihood of confusion. The applicants further claim that their trade mark is well known and entitled to protection under the provisions of Article 6 bis of the Paris Convention.

4. The registered proprietors filed a counterstatement in which they deny the grounds on which the application has been made and claiming that in any event the trade mark has acquired a distinctive character by virtue of the use they have made of it, and that the provisions of Section 47(1) apply. They also claim that by virtue of Section 56(3) of the Act relating to bona fide use of the trade mark prior to 31 October 1994, that the ground under Section 56(2) does not apply.

5. The registered proprietors and the applicants for revocation both ask for an award of costs in their favour.

6. Both sides have filed evidence in these proceedings. The matter came to be heard on 23 October 2001, when the applicants were represented by Mr Saïd Mosteshar of Counsel, instructed by Cruikshank & Fairweather, their trade mark attorneys, and the registered proprietors by Mr Mark Vanhegan of Counsel, instructed by Saunders & Dolleymore, their trade mark attorneys.

**Applicant's evidence**

7. This consists of three Statutory Declarations. The first is dated 1 February 2001 and comes from Nicola Helen Amsel, a partner in Amsel & Co, a firm of investigators specialising in intellectual property rights, a field in which she has been engaged since October 1981, and with her present company since February 1994. Ms Amsel confirms that the evidence given comes from her personal knowledge and company records to which she has full access.

8. Ms Amsel recounts her company being engaged by Cruikshank & Fairweather to investigate the use the registered proprietors may have made of the trade mark OZARK. She gives details of a visit to Companies House during which she inspected the accounts for the periods ending 31 October 1996 and 1997, a Directors report for the period ending 31 October 1996 which stated that the company commenced trading in November 1996, and an annual return signed on 1 November 1999 which describes the proprietors as a business and management consultancy.

9. Ms Amsel details further investigations into the business activities of Leslie Creasey, a Director of the registered proprietor's company and provides details of a telephone conversation that she had with Mr Creasey during which he is said to have provided Ms Amsel with the following information:

- S the registered proprietors develop existing brands, both for themselves and other retailers.
- S the business is international.
- S that OZARK is the brand of his company which would become the Ahome brand@ and that it would be used in connection with items for the home such as carpets and wall coverings to be sold by Freemans catalogue, Debenhams and Homebase.
- S the registered proprietors assist in the design and development of the brand but manufacture of the finished product will be carried out by a suitable partner.
- S the registered proprietors do not have a website nor any retail outlets, but do have a brochure which was not provided.

10. Ms Amsel concludes that her investigations show that there was no use of OZARK by the registered proprietors.

11. The second Statutory Declaration is dated 15 February 2001 and comes from Dick Fish, Vice President, Divisional Merchandise Manager, for Domestic (home textiles) at Wal-Mart Stores, Inc., a position he has held since around March 1997. Mr Fish confirms that the information he gives comes from his experience and personal knowledge as an employee of his company.

12. Mr Fish refers to a telephone call from Mr Leslie Creasey regarding a range of home textile products that Mr Creasey proposed to market under the name OZARK, following which it was agreed that Mr Creasey should visit the Wal-Mart headquarters in Bentonville to make a presentation. Mr Fish cannot recall the exact dates but believes the telephone conversation took place in the Fall of 1997 or early 1998; Mr Creasey's visit early in 1998. Mr Fish says that his company had their own marketing plans and informed Mr Creasey by telephone that they were not interested.

13. Mr Fish recounts a second visit to his company by Mr Creasey, noting that on both this and the earlier visit he had come as an individual, not under a company name. He says that it was apparent that neither Mr Creasey nor his company manufactured products, Mr Creasey defining his role as the development of trade marks. Mr Fish says that the concept being presented to his company by Mr Creasey was to market WAL-MART as arising from the Ozark Mountains in Americas Midwest. Ms Fish refers to advice he received based on information acquired by his company's attorneys, which confirmed that Mr Creasey and his company's are involved in the creation of brands which they attempt to sell on. He explains why this would not be of interest to Wal-Mart.

14. Mr Fish refers to two further phone calls from Mr Creasey, the first in September 1999 inquiring about possible interest in WAL-MART purchasing textiles under the OZARK label, the second in May 2000 in which Mr Creasey wished to discuss the legal proceedings taking place in the United Kingdom.

15. Mr Fish recounts an interview in September 2000 with Barbara L Waite, one of his company's outside attorneys, during which she described a concept substantially the same as that presented by Mr Creasey. He says that Ms Waite advised him that Mr Creasey had contacted her and provided her with a brochure on his concept relating to OZARK.

16. Mr Fish says that he has subsequently been made aware that OZARK TRAIL is an in-house and private label of Wal-Mart Stores Inc., but because it was not used for textile goods at the time of Mr Creasey's inquiries he would not have been aware of this in the course of his normal duties. He concludes his Declaration by explaining that his company receives too many enquiries to track or maintain records unless they actually do business with the individual or company, and consequently, there is no corroborative evidence of the contacts with Mr Creasey.

17. The third Statutory Declaration is dated 5 February 2001 and comes from Barbara L Waite, a member of the Bar of the District of Columbia and a partner in the law firm of Venable, Baetjer, Howard & Civiletti, LLP, the outside intellectual property counsel for Wal-Mart Stores Inc., Ms Waite says that she has represented Wal-Mart since approximately 1992, and that the information she gives comes from her personal knowledge.

18. Ms Waite says that on 30 May 2000 she received an unsolicited telephone call from Mr Leslie Creasey asking her to contact him regarding the OZARK label. She says that she received a further voicemail message the following day, a transcript of which (although not apparently exact) is shown as exhibit A. The transcript records Mr Creasey as having referred, inter alia, to his owning the OZARK brand in Europe and the United Kingdom, to the brand OZARK TRAIL owned and used by Wal-Mart in the United States in respect of apparel and enquiring whether Wal-Mart were considering bringing the OZARK mark to the United Kingdom. Ms Waite says that she did contact Mr Creasey, told him that she did not have any instructions and agreed that he could send her some materials, a copy of which is shown as exhibit B. The exhibit consists of items of printed matter, apparently from a product brochure which contains references to OZARK-London Limited and CHARISMATIC BRANDS, a company with which Mr Creasey is involved. A number bear a logo incorporating the word OZARK placed above the words MIDWEST and THE OZARK MOUNTAINS, creating the idea and concept of goods, if not originating in, clearly inspired by that location. The exhibit includes:

- S descriptions of the OZARK hills, its history and a reference to the OZARK product range clearly associating the concept of the products with the American Midwest and the Osage Indian tribe.
- S photographs of various household furnishings, tableware, etc.
- S an OZARK product list.
- S press release from OZARK London Limited, describing the influences of the products as having been derived from the OZARK hills, its target group being at the middle/upper end of the volume based market, and to the products availability through department and DIY stores and mail order.

19. Ms Waite explains why she felt reluctant to talk to Mr Creasey. She says that Mr Creasey made two further calls, on one occasion leaving a message, a (near) transcript of which is shown as exhibit C. The record recounts Mr Creasey asking if Ms Waite had received instructions and to his reference to Wal-Mart being keen to obtain the registrations for OZARK he owns. Ms Waite says that on 14 July 2000 she received a Fax (exhibited) from Mr Creasey suggesting he meet with her in Washington, an offer she declined. She concludes her Declaration by relating an interview with Mr Dick Fish (an earlier Declarant), saying that the account given in his Declaration is consistent with her own recollection of the interview.

### **Registered proprietors evidence**

20. This consists of a Statutory Declaration and a Witness Statement. The Statutory Declaration is dated 6 April 2001 and comes from Leslie Creasey, Managing Director of Ozark-London Limited which he says is involved in promotion/brand building and development. Mr Creasey confirms that he has been involved with the company since 1994, is fully acquainted with their business, and the statement is made from his own knowledge or from the records of the company to which he has full access.

21. Mr Creasey refers to his becoming aware that Ozark is a region in the States of Missouri and Arkansas, saying that this was in the mid 1970's when he was employed by a company in Kansas City. He gives his views on the Ozark region saying, inter alia, that it is not a commercial area or well known for any particular goods or services, referring to exhibit LC1. The exhibit consists of a copy of the 5<sup>th</sup> Edition of Frommer's Guide to the USA, which under the entry for Branson and the Ozarks refers to the area as a popular playground (vacation) area, with the only other reference to commerce being entertainment.

22. Mr Creasey refers to his involvement with a client who asked him to put together a company/brand name for use in relation to footwear for use in Japan. He says that he suggested OZARK because of his favourable recollection of the Ozarks, and that the client agreed that the name be used. An off-the-shelf company was purchased and its name changed to Ozark-London Limited, exhibit LC2 being a copy of the Certificate of Incorporation on Change of Name for that company recording the change to Ozark-London Limited on 11 November 1994. Mr Creasey explains that for financial reasons the client was unable to proceed and the ownership of the company remained with him.

23. Mr Creasey refers to exhibit LC3 which consists of two notes dated 19 December 1994 and 10 January 1995 marked as being for the attention of Leslie Creasey. The notes have a logo depicting a mountain range with the word OZARK, state this to be original artwork and endorsed with a request for comments regarding its suitability. Mr Creasey confirms that at this time he was not aware that Wal-Mart had any ideas or plans to create products under the mark OZARK TRAIL.

24. Mr Creasey says that he approached a number of retailers to see if they would be interested in using the OZARK brand for their private label use. He recounts a number of visits to Wal-Mart in Bentonville, the first on 29 October 1996 for a meeting with Brett Dye to discuss another concept/merchandising idea, the meeting being suggested by Fieldcrest Cannon, one of Wal-Mart's supplies. Mr Creasey refers to a subsequent meeting during which he put forward the OZARK

concept which he says was passed by Mr Dye to his Divisional Merchandise Director, Mr Dick Fish.

25. Mr Creasey refers to meetings that he had in June 1997 with various retailers at which the use of OZARK was discussed with a view to forming a business relationship. He refers to exhibit LC4 which consists of a swing tag, sew-in label and items of promotional material for a range of textile goods, all bearing, inter alia, the name OZARK with the words MID-WEST. The exhibit also includes a brochure which appears to be from where exhibit B to Ms Waite's declaration was taken.

26. Mr Creasey refers to the visit of a photographer to the Ozarks in July 1997 to take photographs of Ozark landscapes, its people and lifestyle, presumably for his company's brochure referred to in exhibit LC5. Mr Creasey says that they began the preparation of the brochure on 6 January 1998. It shows the OZARK MID-WEST logo and the words THE OZARK MOUNTAINS ARKANSAS United States of America on the cover and at various points throughout. It depicts and promotes a range of household textiles, furniture and tableware etc, available under the OZARK brand, describing it as a collection that draws on the influences from the outdoors, clothing and homes of the past and present inhabitants of Arkansas.

27. Mr Creasey refers to the introduction of the OZARK range of upholstered and cabinet furniture to the Freemans mail order company in June 1999, appearing in the Spring/Summer 2000 catalogue, and to the Debenhams Stores ADebenhams Direct@catalogue in February 2000. Exhibits LC6 and LC7 are copies of the relevant pages from these catalogues and depict a range of furniture with the OZARK MID-WEST logo on one page, and in the case of Freemans, includes a description of the OZARK mountains and its inhabitants referring to them as having created the OZARK brand.

28. Mr Creasey goes on to use of the OZARK mark by the proprietors in respect of tableware manufactured and distributed by Johnson Brothers, a subsidiary of Wedgwood. He says that the relationship began in May 1999 with the manufacture and distribution starting in February 2000. He introduces exhibit LC8 which consists of two price lists and a brochure for a range of OZARK and OZARK MID-WEST tableware available from Johnson Brothers.

29. Mr Creasey says that since 1996 his company has actively promoted the OZARK brand, and he lists the business to whom, and events at which, the brand has been presented, which includes Wal-Mart Stores Inc on 17 September 1998. He refers to trade mark searches for OZARK and the filing of applications in Australia, the European Community, United Kingdom and Japan.

30. Mr Creasey refers to a meeting on 16 October 1998 with Mr Dick Fish of Wal-Mart Stores. Inc, at which they again discussed the possibility of launching the OZARK brand in North America. Mr Creasey says that Mr Fish said that he liked the design concepts but not the name OZARK as this brought to mind trailer parks.

31. Mr Creasey next recounts a discussion with Steve Noetzel, (the successor to Brett Dye and an assistant to Mr Fish) during which he suggested Wal-Mart use of the marks

McBRIDES LANDING and HUNTERS LANDING on the same surface print designs as proposed for OZARK, and that an application to register the trade mark McBRIDES LANDING was subsequently filed in the United States (exhibit LC9). Mr Creasey says that Mr Fish passed the project to Tina Bahler, (Steve Noetzel's replacement at Wal-Mart) saying that Ms Bahler suggested that it would be run with three of the design groups in around 1200 stores. He says that Ms Bahler confirmed her interest in McBRIDES LANDING to Robert Tremlay of Fieldcrest Cannon who subsequently confirmed this interest to Ozark-London Limited, but that the concept was subsequently dropped by Wal-Mart.

32. Mr Creasey concludes his Declaration saying that in his opinion the OZARK brand is recognised as originating from and belonging to the registered proprietors who have spent a lot of time and money in promoting goods available under the brand.

33. The Witness Statement is dated 5 April 2001 and comes from Eddie Prendergast, a part owner of a United Kingdom Fashion company Duffer of St George.

34. Mr Prendergast recounts that in September 1994 he approached Leslie Creasey, a brand development consultant, for help and advice in respect of a new company and possible brand name. He says that Mr Creasey came up with OZARK, the name being chosen because Mr Creasey felt it would, inter alia, conjure up the remoteness and beauty found in Ozark, USA. He says that in October 1994 a company was bought off the shelf and set up under the name Ozark-London Limited. Mr Prendergast states that at no time did he, nor to the best of his knowledge, Leslie Creasey, have any idea or knowledge that Wal-Mart would later choose to brand and sell goods under the mark OZARK TRAIL. Mr Prendergast concludes his Declaration saying that the idea of the mark OZARK and the company name Ozark-London Limited was wholly that of Leslie Creasey and himself, but owing to cost implications he was unable to continue his relationship with the company which remained with Leslie Creasey.

#### **Applicant's evidence in reply**

35. This consists of five Statutory Declarations. The first is dated 27 June 2001, and comes from Campbell Newell a partner in the firm of Cruikshank & Fairweather, the applicant's trade mark attorneys in these proceedings.

36. Mr Newell refers to his instructing Nicola Amsel on 1 December 1999 to undertake enquiries into the business activities of Ozark-London Limited. He says that he believes the investigations showed that there may have been some use of the trade mark OZARK in respect of goods sold by Freemans mail order catalogue and Debenhams in their stores, which equates with the facts presented by Mr Creasey.

37. He recounts making a telephone call to Freemans mail order department to enquire about the availability of an item of furniture from their OZARK range shown in the Autumn/Winter 2000 catalogue. Mr Newell says that the telesales operator informed him that the catalogue, an extract of which is shown as exhibit CN1, was no longer current and the OZARK range no longer available. He says that he has seen the Spring/Summer 2001 catalogue and that there is no entry for OZARK.



38. Mr Newell next gives details of a search for OZARK goods on the Debenhams on-line website, which returned a number of furniture products under the name OZARK Jefferson. He says that the product was noted as being sent directly from the supplier, but on telephoning Debenhams the telesales operator informed him that the product range was no longer available and that there was a note on their system to say that the supplier was experiencing difficulty with supplies.

39. The next Statutory Declaration is dated 6 June 2001 and comes from Steve Noetzel, who says that from August 1996 to February 1999 he was employed by Wal-Mart Stores Inc., as a buyer of household bedding products. Mr Noetzel explains that Wal-Mart has a policy of allowing potential vendors a one hour meeting, and refers to his recollection of a meeting with Mr Creasey, Dick Fish and Brett Dye in the Fall of 1997 at which Mr Creasey described a concept or idea for an OZARK label. Mr Noetzel recounts that Mr Creasey admitted that he was not a manufacturer and that none of the products he described were actually being manufactured. Mr Noetzel says that Mr Creasey was told that it was not Wal-Mart's policy to purchase other than from a manufacturer.

40. Mr Noetzel recalls one other meeting with Mr Creasey but none of the detail. He says that he now understands that Wal-Mart owns a private trade mark OZARK TRAIL primarily directed towards the camping and outdoor product market, but because the mark was not used for bedding products he would not have been aware of this.

41. The next Statutory Declaration is dated 5 June 2001 and is a second Declaration by Dick Fish.

42. Mr Fish says that his recollection of events has been somewhat refreshed by Mr Creasey's Declaration, and that he can confirm that he did not have a meeting with Mr Creasey in October 1996 but does recall the meeting in the Fall of 1997. He confirms the account of the meeting given in the Declaration of Steve Noetzel. Mr Fish says that he recalls one subsequent telephone conversation with Mr Creasey but no other contact and has no recollection of any discussions relating to the marks MCBRIDES LANDING or HUNTERS LANDING.

43. The following Statutory Declaration is dated 23 May 2001 and comes from Brett Dye who confirms that from July 1995 to October 1996 he was employed by Wal-Mart Stores Inc. as a buyer of household bedding products. Mr Dye recalls a visit to a New York trade show, The Home Textile Market, and a general conversation with Mr Creasey on the walk from his hotel to the trade show, but that there was no mention of OZARK. He says that he has no recollection of a meeting with Mr Creasey in 1996, but does recall the meeting in the Fall of 1997 referred to by Mr Noetzel and Mr Fish, confirming their recollection of the meeting. He also says that he now understands that Wal-Mart owns a private trade mark OZARK TRAIL primarily directed towards the camping and outdoor product market, saying that because the mark was not used for bedding products he would not have been aware of this.

44. The final Statutory Declaration is dated 23 May 2001 and comes from Tina Bahler, an employee of Wal-Mart Stores Inc., from 1 October 1995. Ms Bahler says that from April 1999 she has been a buyer of household bedding products.

45. Ms Bahler recalls two meetings with Mr Creasey during which he described a concept, an idea for a MCBRIDES LANDING label and something about an OZARK label. She says that she explained Wal-Mart's purchasing policy and suggested that Mr Creasey might wish to find a manufacturer and present his ideas to them. Whilst she believes that she mentioned Cannon as a possible contact, Ms Bahler says that she did not confirm to that company her continuing interest or that Wal-Mart had made any commitment to purchase products presented in Mr Creasey's concepts. Ms Bahler says that she made general reference to the parameters of her company's promotional buys but at no time suggested that she would purchase any products from Mr Creasey. She concludes her Declaration saying that she now understands that Wal-Mart owns a private trade mark OZARK TRAIL primarily directed towards the camping and outdoor product market, saying that because the mark was not used for bedding products she would not have been aware of this.

46. That concludes my review of the evidence insofar as it is relevant to these proceedings.

### **Decision**

47. In his skeleton Mr Mostesha stated that the application was to proceed on the basis of the grounds under Section 3(1)(b), 3(1)(c), Section 3(3)(b) and Section 3(6). Turning first to the grounds under Section 3(1)(b) and (c). Those sections read as follows:

**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 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.

48. It seems to me that if the word OZARK is devoid of any distinctive character, it can only be because it consist exclusively of a sign or indication that may serve in trade to designate some characteristic of the goods, and consequently, that the ground under subsection (b) is wholly dependant upon the success of the ground under subsection (c).

49. The applicant's contention is that the word OZARK is no more than an indication of geographical origin, in particular, of an area of high lands in central southern USA. In his decision in the Nordic Timber Council v Nordic Saunas Limited. Case (unreported), Mr Simon

Thorley QC sitting as the Appointed Person referred to the decision of the European Court of Justice in the Windsurfing Chimsee case (1999 ETMR 585), and went on to say:

A...When the ECJ in paragraph 30 and 37 ask the question whether a geographical name is liable to be used in the future...as an indication of the geographical origin of that category of goods@they make it plain that this assessment is an objective one which must be reached by giving due regard to the degree of familiarity amongst the relevant class of persons with the geographical place name in question, with the characteristics of the place designated by that name and the category of goods concerned. Equally, whilst it is plain that Mr Meade's example of North Pole for bananas would not be capable of designating the geographical origin of bananas, I do not accept that this is necessarily a small category of permissible geographic names as he sought to suggest. Each geographical name must be considered in relation to the goods in question and where there is no current association of that geographical name with the goods in question, all relevant factors must be taken into account in assessing whether the name is capable of designating the geographical origin of that category of goods to the average consumer.@

50. There is no dispute that the word OZARK denotes, inter alia, a geographic location. It is, however clear from the Windsurfing case and Mr Thorley's decision that the mere fact that a sign is an indication of geographical origin does not automatically mean that it cannot be capable of distinguishing the goods and services of one trader from those of others and registered as a trade mark. Factors such as the familiarity of the relevant class of persons with the geographical name, the reputation, if any, that the area may have (particularly where this is in respect of the goods in question) and its characteristics have to be considered. It is also necessary to consider the nature of the goods/services although not only to the extent of whether they could be manufactured in the area.

51. In the Nordic appeal mentioned above, the mark had been registered in Class 19 for a range of building materials, including raw and semi finished wood products. In his decision Mr Thorley took the following view:

AThere is no difficulty in answering that question in this case. The broad class of goods for which registration is now sought is, (save for peridotite rock), in effect, goods made of wood. At the hearing wooden paneling was focussed upon. Whilst there is no evidence of the expression NORDIC being used in relation to timber at any of the relevant dates, it is not an unnatural expression to use for timber having its origin in the Scandinavian countries. In my judgment, not only is it capable of designating the geographical origin of that category of goods, it is a wholly appropriate means of so doing. Accordingly the mark NORDIC was not capable of being registered in respect of any of the goods for which NSL now seeks registration without proof of acquired distinctiveness by reason of use.@

52. Mr Thorley took the view that even though there was no evidence that NORDIC was being used in relation to timber it was not an unnatural expression for timber having its origin in the

Scandinavian countries, and that in respect of the goods covered by that registration that were made of wood, NORDIC was not, at least, prima facie, capable of distinguishing.

53. There is no evidence, nor indeed any suggestion by the applicants, that the OZARK region has a reputation or link with any particular type of goods. The closest it gets is that the registered proprietors use descriptions of the OZARK hills and their history to associate their product range with an image of the American Midwest and the Osage Indian tribe. Save by the registered proprietors, there is no evidence that OZARK has been used in relation to home furnishings, nor indeed any other goods. The applicants say that they own a private label trade mark OZARK TRAIL for a range of goods directed primarily towards the outdoor product market and which they say that they have been using in the United States since 1985. However, apart from references to Classes 9, 20 and 21 they do not say how the mark was used or in respect of what, nor provide any evidence of sales.

54. The applicants seem to believe that the OZARK TRAIL (which appears to be just as much a geographical reference as OZARK) is capable of functioning as a trade mark in the United States where its geographical meaning is likely to be known. This seems at odds with their contention that OZARK is not capable of distinguishing goods in the United Kingdom, where I do not believe that many consumers would have any idea that it is anything other than an invented word. It seems to me that apart from conjuring an image of a particular style, that the word OZARK is unlikely to be used in the same descriptive fashion as, for example Shaker would be. For the reasons given I find the ground under Section 3(1)(c) fails, and as I have already indicated, so does the ground under Section 3(1)(b).

55. Turning to consider the ground under Section 3(3)(b). The opponent's objection is that the mark applied for would suggest to the public that there is a connection with the Ozark Mountains, the Mid West, Arkansas and the United States. But even if it did, which I consider to be unlikely, so what? Section 3(3)(b) refers to marks that are of such a nature as to deceive the public, for instance, as to the nature, quality or geographical origin of the goods or services. Assuming that the public knew that OZARK is a geographical place in the United States, I cannot imagine any circumspect consumer would be deceived into believing that the home furnishings sold under the trade mark OZARK originate from that place. There is no evidence that the area has any reputation for goods. and apart from conveying an image of a way of life in wooded and mountainous terrain OZARK says nothing about the nature or quality of the goods. Many products are sold under a sign that conveys an image that a trader wishes to draw upon but with no direct reference to the goods. That is, I believe the position here. I do not consider that the name would say anything in particular about the goods of the application. Consequently, this ground is dismissed.

56. This leaves the ground under Section 3(6). That section reads as follows:

**3(6)** A trade mark shall not be registered if or to the extent that the application is made in bad faith.

57. The Statement of Grounds refers to the application being contrary to Section 3(6) because the registered proprietors had been aware of the applicant's use and registration of the mark OZARK TRAIL prior to filing the application, and in doing so had acted in bad faith. It seems to

me that where a claim to be the proprietor of a mark is challenged it is appropriate to consider the guidance of the decision of the Court of Appeal in the Al Bassam trade mark case [1995] RPC 511, in which Morritt L.J. made the following observations at page 522 line 6 et seq:

Accordingly, it is necessary to start with the common law principles applicable to questions of ownership of unregistered marks. These are not in doubt and may be shortly stated. First the owner of a mark which had been used in conjunction with goods was he who first used it. Thus in Nicholson & Sons Ltd's application (1931) 48 RPC 227 at page 253 Lawrence LJ

The case to which I have referred (and there are others to the like effect) show that it is firmly established at the time when the Act of 1875 was passed that a trader acquired a right of property in a distinctive mark merely by using it upon or in connection with his goods irrespective of the length of such user and of the extent of his trade and that such right of property would be protected by injunction restraining any other person from using the mark.

and at page 522 line 40 et seq:

In my view it is plain that the proprietor is he who satisfies the principles of the common law to which I have referred. Accordingly in the case of a used mark, as in this case, the owner or proprietor is he who first used it in relation to goods for the purpose indicated in the definition of trade mark contained in Section 68 which I have already quoted.

58. The applicants say that the proprietors have registered a mark that they know is not theirs. The proprietors in turn have denied this. A claim that an application was made in bad faith implies some deliberate action by the applicants which they know to be wrong, or as put by Lindsay J in the GROMAX trade mark case (1999) RPC 10 to which I was referred "...includes some dealings which fall short of the standards of acceptable commercial behaviour." It is a serious objection that places a strong onus of proof upon the party making the allegation. Mr Mostesher also referred to the decision of Mr Geoffrey Hobbs QC sitting as the Appointed Person in the appeal against my decision in the Smiley logo trade mark case (BL No 0 /313/01) in which he cited with approval the comments:

In my view the onus in such cases rests firmly with the opponents. If they are claiming that the trade mark is theirs and not the applicant's they must establish that their mark was well known, in the United Kingdom, to the point that the applicant must have known it belonged to them, or would have known through some other circumstances, for example, a trade connection.

59. Mr Creasey says that he first became aware of OZARK in the mid 1970s when working for a company in the United States. He recounts that in 1994 he was asked by Mr Prendergast, to put together a company and brand name for use in a business venture, saying that OZARK was chosen because of his earlier experiences of the area and because the name was considered to give a feeling of strength. Mr Prendergast confirms that in September 1994 he had approached Mr Creasey for help and that Mr Creasey had come up with the name OZARK, which he had liked and had agreed that a company be set up under the name Ozark-London Limited. Both Mr

Creasey and Mr Prendergast say that at that time neither had any knowledge that Wal-Mart would choose the name OZARK TRAIL. It is, however, clear from Mr Creasey's evidence that he was aware of Wal-Mart's mark at the time that the application to register OZARK was made.

60. The applicants may well have registered the mark OZARK TRAIL in a number of countries, but they have not done so in the United Kingdom, nor have they stated that they ever intended to do so even when they became aware of Mr Creasey's interest and intentions. Most of the applicant's registrations were applied for at a date close to, or later than the date of application of the trade mark that they seek to invalidate, and in all but one case, later than the date on which the evidence shows the registered proprietors began preparations to use the mark. The applicant's registration that predates the registered proprietor's use does so by less than two weeks. Notwithstanding this, the applicants claim to have been using the mark since 1985 but other than bald statements they have provided no evidence to establish this, nor the nature and extent of this use, and I do not see how I can conclude that the use in the United States was such that Mr Creasey must have been aware of it at the time he adopted OZARK for use. It is clear from the applicant's evidence that even some of its own employees were not aware of the mark.

61. Bad faith is not a carte blanche to enjoy trade mark rights across national boundaries. As was stated by the Hearing Officer in the Hankook trade mark case (0/521/01):

In considering the issue of ownership of a trade mark in a third country it is necessary to be circumspect. If any person in a third country could claim successfully that an application was made in bad faith simply because it consisted of his trade mark or was similar to his trade mark the long established geographical limitations of trade mark rights would be thrown into confusion.@

62. To this I would add that where a trade mark consists of a name likely to be known because of some factor other than its use as a trade mark, for example, it is a geographical place name, the weaker the claim to ownership in a third country is likely to be regarded.

63. Taking all factors into account I find that the applicants have not discharged the onus placed upon them and that the application fails under Section 3(6) also.

64. The application for invalidation having failed the registered proprietors are entitled to a contribution towards their costs. I therefore order the applicants for invalidation to pay the registered proprietors the sum of , 1,000 within seven days of the expiry of the period allowed for filing an appeal or, in the event of an unsuccessful appeal, within seven days of this decision becoming final.

**Dated this 5<sup>th</sup> Day of April 2002**

**Mike Foley  
For the Registrar  
The Comptroller-General**