

**TRADE MARKS ACT 1994**

**IN THE MATTER OF AN APPLICATION UNDER  
NUMBER 12466 BY THAI WALL TILE LIMITED PARTNERSHIP  
FOR A DECLARATION OF INVALIDITY IN RESPECT OF TRADE MARK  
NUMBER 2225342 IN THE NAME OF CAIRNFORD CERAMICS LIMITED**

## TRADE MARKS ACT 1994

**IN THE MATTER OF an application under Number 12466  
by Thai Wall Tile Limited Partnership  
for a Declaration of Invalidity in respect of trade mark number 2225342  
in the name of Cairnford Ceramics Limited**

### DECISION

1. Trade Mark registration No. 2225342 is in respect of the following mark and is registered in respect of ceramic wall tiles in class 19:



2. The registration currently stands in the name of Cairnford Ceramics Ltd.

3. By an application dated 18 April 2001, Thai Wall Tile Limited Partnership applied for the registration to be declared invalid. The application is made on the following grounds:

**Under Section 3(6)** because the applicant had a business relationship with the proprietor and/or its predecessor James Jenkins and Mr Jenkins abused that relationship to the detriment of the applicant.

**Under Section 5(4)(a)** because the applicants are the owner of an earlier right.

**Under Section 5(4)(b)** because the applicants are the owner of an earlier right.

4. On 14 June 2001, the registered proprietors filed a counterstatement in which they deny the grounds on which the application is based.

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

6. Only the applicants filed evidence in these proceedings and in accordance with Trade Marks Registry practice, I reviewed the case and advised the parties that in my view it was not necessary that a hearing be held in order that the matter be decided. Neither side has since requested a hearing nor filed written submissions and accordingly I make this decision based upon the evidence filed.

## **Applicants' evidence**

7. This consists of a Witness Statement dated 14 November 2001 from Mr Brian Burgess, General Manager of the applicants' agent in the UK. Mr Burgess confirms that he is authorised to make this statement on the applicants' behalf and that it comes either from facts within his own knowledge or from information obtained from the applicants' records.

8. Mr Burgess says that the current proprietors of the registration are Cairnford Ceramics Limited. The relevant entry on the Trade Marks Register (pages 1-3 of exhibit BB1) shows that the registration was originally applied for by James B Jenkins of 32 Dunellan Road, Glasgow, G62 7RC on 1 March 2000, and assigned to the current proprietor on 5 January 2001. Information obtained from Companies House (pages 4-5 of exhibit BB1) confirms that Mr Jenkins is the sole director of Cairnford Ceramics Limited.

9. Mr Burgess explains that the applicants' case is that in March 2000, the date on which Mr Jenkins applied to register the mark in suit, he knew that it was owned and used by the applicants.

10. Mr Burgess states that the applicants first used the mark "TCI" in the UK in the middle of 1999, and was first displayed at the 1999 Expotile exhibition. He says that pages 6 and 7 of exhibit BB1 consist of copies of photographs of the applicants' stand at the exhibition (shared with Thai Mosaic and Ceramics Limited), and that of Mr Jenkins with Mr Kritdikul Sakuntawaga, an agent of the applicants.

11. Mr Burgess says that the "TCI Device" is applied to the rear surface of its tiles, as shown on the sample at exhibit BB2. The exhibit consists of a pencil rubbing of the reverse of what appears to be a tile, showing a none-too-clear representation of a diamond device with what could be the letters TCI within, the words "THAI WALL TILE PART" and "MADE IN THAILAND". The bottom of the exhibit is endorsed "Rubbing of Thai Mosaic & Ceramics Tile showing TCI logo on back. All the TCI 10x10 range have this logo on the back and the carton." A copy of the device as used on the packaging is shown as exhibit BB3. Mr Burgess argues that any prospective customer handling a sample tile would, as a matter of course, have viewed the rear surface of the tiles to gauge, amongst other factors, its quality, and therefore will have seen the "TCI" device mark.

12. Mr Burgess says that the applicants also applied the "TCI Device" mark to some of its documentation, by way of example referring to page 8 of exhibit BB1. This consists of a copy of an Export Licence certificate dated 17 September 1999, concerning 40 pallets of ceramic wall tiles to be delivered to Cairnford Limited in the UK. Page 9 of exhibit BB1 consists of a copy of an invoice from Cairnford Limited to Allerton Tiling Limited under for whom the tiles to which the Certificate relate had been ordered. Mr Burgess says that the invoice is dated August 1999 because it was Cairnford Limited's usual practice to issue an invoice when tiles were ordered and before it, in turn, placed an order with the applicant.

13. Mr Burgess refers to page 10 of exhibit BB1, which consists of a letter dated 12 September 2000, from Thai Ceramics Limited to Mr Jenkins in which is mentioned the rejection of earlier deliveries of TCI containers. Mr Burgess states that to the best of his

knowledge, neither Mr Jenkins nor Cairnford Limited have used the “TCI” device in the course of trade in the UK or elsewhere.

14. Mr Burgess says that he believes that the evidence shows that prior to the date on which Mr Jenkins applied to register the trade mark, the applicants had widely used the “TCI” device in the UK as a trade mark to distinguish its products, and had built up a significant goodwill that would have been damaged if Mr Jenkins misrepresented that his tile products were those of the applicant, and that in view of the history of contact between the applicants and Mr Jenkins prior to the application for registration, Mr Jenkins had clearly been aware of the applicants’ prior use of, and rights in, the “TCI” mark.

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

## **Decision**

15. Turning first to 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.”

16. The applicants’ objection is that at the time of making the application to register trade mark No. 2225342, the registered proprietors were aware of their use of the letters TCI within a diamond shaped border, in respect of ceramic tiles, but nonetheless registered the trade mark in their own name, and in doing so had acted in bad faith.

17. The evidence is thin to say the least and the complete absence of any evidence from the registered proprietors, nor even any comment or denial of the assertions made by the applicants does not make this any easier to determine. The Export Licence Certificate shows that prior to the relevant date the applicants were using the letters TCI within a diamond shaped border in connection with ceramic tiles. Although the script on the bottom of the pencil rubbing suggests that this was the case only in respect of one particular size of tile, Mr Burgess states that the logo was used on the side of the packaging for all tiles.

18. The application to register the mark was originally made by James B Jenkins and subsequently assigned to Cairnford Ceramics Limited, a company that the evidence shows Mr Jenkins to have been a director of since 22 April 1999. The Export Licence Certificate clearly relates to the invoice raised by Cairnford limited for the supply of tiles to Allerton Tiling Limited in August/September 1999; both bear the same reference L/C No. DPCMRW105560. Although there is nothing to show that the delivery was actually made, the fax dated 12 April 2000 shows there to have been a continuing trade between the applicants and Cairnford Limited, and in the absence of any information to the contrary I see no reason to infer that the consignment was not delivered.

19. Mr Burgess refers to TCI tiles as having first been displayed at the 1999 Expotile exhibition that Mr Jenkins of Cairnford Ceramics Limited had also attended. A photograph is exhibited showing Mr Jenkins with Mr Kritdikul Sakuntawaga, the applicants’ UK agent, standing together outside of the exhibition hall. Whilst there is no claim that Mr Jenkins

actually visited the stand at which the applicants' tiles were being displayed, or had been made aware of "TCI" tiles presence at the exhibition, it begs the question as to the reason he was in the company of and photographed with Mr Sakuntawaga.

20. In the *New century* case (BL0/018/00) the Hearing Officer assessed the relevant merits of the opponents' claim that the application had been filed in contravention of Section 3(6) stating:

*"That brings me to the ground of opposition under Section 3(6). The relevant provision here is as follows: "A trade mark shall not be registered if or to the extent that the application is made in bad faith." Lindsay J considered the matter in Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd [1999] RPC 367. He felt that bad faith included acts of dishonesty and also dealings that fell short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the area being examined. The relevant facts in this case are that (a) Mr Leith was aware that NEW CENTURY was the opponent's trade mark in the United States of America; (b) he knew that the opponent had started to trade in the United Kingdom under the trade mark, he was himself a customer; (c) he should have been aware that the opponent could be expected to expend that trade, if he had not already done so;"*

21. The Hearing Officer went on to hold:

*"It follows from that if this application were successful he would be in a position to prevent the opponent from registering their mark in the United Kingdom, and possibly from using it here. In my view the application has been made in bad faith. It is difficult to see how a person who applies to register a mark in his own name which he has previously recognised as the property of a potential overseas principal can be said to be acting in accordance with acceptable standards of commercial behaviour. I do not believe that combining the mark with the applicant's own name is any answer to that criticism."*

22. I believe the evidence establishes to a reasonable level of certainty that Mr Jenkins was aware that the TCI logo was the applicants' trade mark, that they had a trade in the United Kingdom under the trade mark; his company was a customer and should have been aware that the applicants could be expected to expend that trade, if they had not already done so. I consider that on the facts I would have reached the same conclusions as the Hearing Officer in the *New Century* case. The parallels in this case are plain to see and I have no difficulty in finding that in making the application the registered proprietors, as they now stand also acted in bad faith, and the ground under Section 3(6) succeeds.

23. My decision under Section 3(6) effectively decides the matter and I do not need to go on to consider the grounds under Section 5(4)(a) or 5(4)(b). Had I done so I believe that I would have found that the applicants for invalidation had established a reputation and goodwill in the United Kingdom, and that given the absolute identity in both the marks and goods, that damage would inevitably follow and that the ground under Section 5(4)(a) stood as established. There is insufficient evidence and detail for me to find in respect of the claim under Section 5(4)(b).

24. The application having been successful the applicants are entitled to an award of costs. I therefore order the registered proprietors to pay the applicants the sum of £1,000 as a contribution towards their costs. This sum 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 23<sup>RD</sup> day of September 2002**

**Mike Foley  
for the Registrar  
The Comptroller General**