

O-124-03

IN THE MATTER OF trade mark registration no 2269630
in the name of Quantitative Management Solutions Ltd

AND

IN THE MATTER OF application for a declaration of invalidity
No 81008 by Trafficmac Ltd

BACKGROUND

1. On 10th May 2001, Quantitative Management Solutions Ltd applied to register the trade mark 'TRAFFICMAC' for services in class 35. The mark is:



2. The specification reads:

Class 35

Advertising for others via on-line electronic communications, dissemination of advertising for others via on-line electronic communications, dissemination of advertising matter, electronic billboard advertising, rental of advertising space, general business and advertising services on and off-line.

3. The mark was registered on 12th October 2001. There have been two subsequent assignments of the mark, firstly to Trafficmaid Ltd and then to Quantitative Management Solutions Ltd who are the current registered proprietors. Whether this is the same company as the original applicants is not clear, but nothing hangs on this in any event.

4. On 18th September 2002, Trafficmac Ltd (the applicant) applied for a declaration of invalidity under section 47(2)(b) of the Trade Marks Act. Section 47(2)(b), in turn, refers to a registration being declared invalid on the basis that there is an 'earlier right' to which the conditions of section 5(4)(a) and (b) apply.

5. Under section 5(4)(a), in relation to the common law right of passing off, the applicant says that their worldwide business activities under the TRAFFICMAC mark started in May 2000, and in the UK, August 2000. They are engaged in servicing UK based firms in the advertising industry. The services include operational support and management of firms' advertising processes, including the design, coding, creative development, campaign management, implementation and servicing of campaigns. They say the name 'TRAFFICMAC' is strictly limited to those employed by Trafficmac Ltd for the express purpose of generating business through presentations and a website

www.trafficmac.com. They also say that the mark is carried on the applicant's legal documents such as invoices and contracts.

6. Under section 5(4)(b), in relation to copyright, the applicant says that the 'Trafficmac' logo was created in May 2000 and had been displayed prominently on the applicant's website, as well as on business documents, at the time the application in suit was filed. I should add for completeness that the statement of case makes no mention of copyright, but instead specifies 'design right'. However, I think this must be a mistake on the applicant's part as 'design right' is a quite separate right which, in accordance with section 213 of the Copyright Designs and Patents Act 1988, can only apply to the design of any aspect of shape or configuration of an article. There is no suggestion that the TRAFFICMAC logo has ever, or was ever intended to, apply to any article. I am therefore proceeding on the basis that the applicant had intended to refer to copyright, not design right, as the 'earlier right' under section 5(4)(b).

7. In accordance with rule 33(2) of the Trade Marks Rules 2000 the application was sent, on 12th November 2002, to the then registered proprietor at their stated address, no alternative address for service having been provided. The registered proprietor had 6 weeks to file a Form TM8 and counterstatement to defend the registration. The consequence of failure to defend the registration was set out in the official letter of 14th September; namely, that the application for a declaration may be granted in whole or part.

8. No Form TM8 or counterstatement has been filed within the relevant period, or at all. Thus the application has been undefended, but this does not of itself result in a default decision with no consideration of the merits.

9. In the *Firetrace case [2002] RPC 15 (Firetrace)*, at paragraph 17 of that decision, the registrar's principal hearing officer states:

'It is not sufficient to simply allege that a registration offends either section 46 or 47 of the Act without doing more to prove that the allegation has substance. That said when an application for revocation (other than non-use) or invalidation is made and the registered proprietors choose not to respond to such a request, I do not think that it is necessary for the applicants in those circumstances to have to fully substantiate their allegations beyond providing evidence which supports a prima facie case.'

10. The reason that the hearing officer arrived at this view is the statutory presumption in section 72 of the Act which states:

'In all legal proceedings the registration of a person as proprietor of a trade mark shall be prima facie evidence of the validity of the original registration and of any subsequent assignment or other transmission of it.'

11. I wrote on 24th January 2003, relying on the *Firetrace case*, to invite the applicant to file any evidence or submissions in support of their application and to state whether they

wish to be heard. No request for a hearing was made and so this decision is taken from the papers.

12. No evidence or submissions were filed by the applicant either.

The Law

13. Section 5(4) reads:

“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) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

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.”

Application of the Law

14. The applicant’s burden, as identified in the Firetrace decision, is to provide evidence to support a prima facie case. The facts as pleaded have neither been denied, nor admitted, by the registered proprietor. That said, the difficulty with this application is that no evidence or submission has been filed by the applicant. I dare say that, in relation to an application based on section 5(1) or 5(2), in many cases evidence of fact will not be necessary ; the respective marks and specifications will be self evident and the question whether likelihood of confusion arises is a question for the tribunal.

15. But in relation to an application based on section 5(4), it is essential that the applicant substantiates their claim by factual evidence. Without such evidence, I am in no position to determine that the applicant had, at the time the registration was filed, the necessary goodwill or reputation required, upon which to base a notional passing off claim. Furthermore it is impossible to say in relation to what goods or services such goodwill may have existed. In the absence of any evidence concerning the existence and ownership of any copyright in the TRAFFICMAC logo, it is also impossible to conclude that the use of the registered mark would be liable to be prevented by virtue of any copyright in that logo.

16. Accordingly, the application for a declaration of invalidity is refused.

Dated this 1ST day of May 2003.

Edward S Smith
For the Registrar, the Comptroller-General