

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 81402  
BY FIELD FISHER WATERHOUSE  
FOR THE REVOCATION OF TRADE MARK No. 2069225  
IN THE NAME OF THE MARKETING TRIANGLE INC.**

**AND IN THE MATTER OF AN APPEAL  
TO THE APPOINTED PERSON  
BY THE REGISTERED PROPRIETOR  
AGAINST THE DECISION OF MR J. MACGILLIVRAY  
DATED 8 NOVEMBER 2004**

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**DECISION**

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**Introduction**

1. United Kingdom Trade Mark Number 2069225 was registered in the name of The Marketing Triangle Inc. (“the Registered Proprietor”) on 13 December 1996 for use in relation to “advertising; business management; business administration; marketing advice and research”. The representation of the trade mark recorded on the Register is shown below:



2. On 20 August 2003 Field Fisher Waterhouse (“the Applicant”) applied for revocation of the registration on the grounds of non-use. By virtue of an amended statement of grounds, it is accepted that the Applicant sought

revocation under section 46(1)(a) and (b) of the Trade Marks Act 1994 (“the TMA”). Those provisions state:

“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;
- (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;”

3. Section 46(2) of the TMA is also pertinent to this case. That sub-section affords a defence to a claim of non-use where, inter alia, certain variants of a registered trade mark are used. Insofar as relevant, section 46(2) provides:

“(2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered ...”.

4. In a decision issued on 8 November 2004 (BL O/332/04), the Hearing Officer acting on behalf of the Registrar granted the application for revocation of the registration in suit. Although the evidence demonstrated that business in the services had been conducted in the United Kingdom during the relevant periods, the Registered Proprietor had failed to satisfy the onus in section 100 of the TMA of proving that any such use related to the mark in the form in which it was registered or in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered.

5. On 17 November 2004, the Registered Proprietor filed notice of appeal to an Appointed Person under section 76 of the TMA. The Registered Proprietor neither appeared nor was represented at the hearing of the appeal and made no written submissions over and above the statement of grounds of appeal. Ms. Anna Edwards-Stuart of Counsel represented the Applicant and in the absence of the Registered Proprietor assisted this tribunal by carefully going through the stated grounds of appeal, the Hearing Officer's decision and the evidence on file.

### **Standard of review**

6. An appeal to the Appointed Person is by way of review and not rehearing. In a case like the present involving a multi-factorial assessment, this tribunal should be reluctant to interfere with the Hearing Officer's decision in the absence of a distinct and material error of principle (*REEF Trade Mark* [2003] RPC 101, Robert Walker L.J. at page 109).

## **Grounds of appeal**

7. My understanding of the statement of grounds of appeal is that the Registered Proprietor relies upon the following:
- (i) The Hearing Officer erred in adopting a harsh and pedantic interpretation of the relevant provisions. Instead he should have regarded consistent use of the “Isosceles name and typeface” as genuine use with the meaning of section 46(1) of the TMA.
  - (ii) Alternatively, the Registered Proprietor should be permitted to re-register the mark in order better to reflect its usage.
  - (iii) There should be no, or a reduced award of costs. First, the matter was adjudged on a different basis than the Applicant pleaded. Second, the Applicant is a law firm that regularly deals with trade marks and can have incurred no costs other than the fees for filing the revocation proceedings and making investigations. The Hearing Officer’s award of GBP 1000 is excessive.
8. The Applicant’s position is that there were no errors on the part of the Hearing Officer and his decision should be upheld.

## **Evidence of use**

9. The Registered Proprietor’s evidence consists of two statutory declarations of Gavin James Chalcraft dated 28 November 2003 and 17 March 2004 respectively. Mr. Chalcraft is the President/Proprietor of the Registered Proprietor, which he describes as a marketing/management consultant. Mr. Chalcraft explains that the Registered Proprietor carries on business as Isosceles Consulting Inc. using the Vitality Driver mark for specific consulting services. He says that the Registered Proprietor has used the trade mark ISOSCELES VITALITY DRIVER in the United Kingdom since 1996. Mr. Chalcraft says the Registered Proprietor advises large multinational corporations on the development of global brands and new products/innovations and the internal management of those brands/products. He exhibits (Exhibit 3) copy invoices, which he says relate to the sale of services under the trade mark along with copy bank statements showing wire transfers of funds to the Isosceles account. The copy invoices bear the following trade mark alone:



The copy bank statements are in the name of Isosceles Consulting Inc.

10. Mr. Chalcraft gives turnover figures for services provided under the trade mark in the United Kingdom since the mark was entered on the Register and for a five year period thereafter:

1997	\$13,500
1998	\$5,000
1999	\$42,000
2000	\$0
2001	\$3,500
2002	\$0
2003	\$0

Mr. Chalcraft explains that even though no direct income was derived from services provided in the United Kingdom in 2000, there was United Kingdom input in American projects and the Registered Proprietor's brochures were distributed in the United Kingdom during that year. In 2002/2003 security issues following 11 September 2001 seriously affected foreign consulting firms like the Registered Proprietor. Mr. Chalcraft says that about \$150,000 was spent on marketing. Exhibit 2 contains a "Global Client List" of US-led projects, involving UK operating companies. Exhibit 4 lists two United Kingdom "direct income" clients of the Registered Proprietor: Cadbury Schweppes and Blue Marlin. Exhibit 1 comprises a letter from Cadbury Schweppes to Collyer-Bristow, the Registered Proprietor's former advisers, confirming that Cadbury Schweppes hired the services of Isosceles Consulting during the periods March/April 1999 and again in September/October 2001. As Ms. Edwards-Stuart observes, there is no mention in any of these exhibits of the registered trade mark or, indeed, the exact nature of the services involved.

11. Finally, Mr. Chalcraft exhibits a brochure of Isosceles' services (Exhibit 5). A number of trade marks appear in this brochure. The Hearing Officer collected together in his decision those that are relevant to the present proceedings, as shown below:



BRAND VITALITY DRIVER

### **The Hearing Officer's decision**

12. Neither party requested an oral hearing nor submitted written observations. The Hearing Officer decided the application for revocation on the basis of the papers before him.
13. The Hearing Officer first cited the statutory provisions set out above including section 100 of the TMA, which 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.”

14. As to the meaning of “genuine use” under section 46(1) of the TMA, the Hearing Officer referred to the leading authority of the Court of Justice of the European Communities’ ruling in Case C-40/01 *Ansul* [2003] ECR I-2439, paragraphs 35 – 43. That is to the effect that “genuine use” entails use of a mark on the market in order to create or preserve an outlet for the goods or services that bear the sign of which the mark is composed, as distinct from the goods or services of other undertakings.
15. Deciding, however, that the issue in this case was not the genuineness of the Registered Proprietor’s use but whether there had been any such use of the trade mark in suit, the Hearing Officer turned his attention to section 46(2) of the TMA. Since the Registered Proprietor’s evidence did not show use of the mark in the form in which it was registered, the Hearing Officer needed to ascertain whether there had nevertheless been use of a variant of the mark which by virtue of section 46(2) would have qualified to defeat the claim of non-use. In order to determine whether there had been use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, the Hearing Officer instructed himself by reference to the Court of Appeal’s decision in *BUD and BUDWEISER BUDBRÄU Trade Marks* [2003] RPC 477 where Lord Walker of Gestingthorpe indicated the correct approach:

"43. ... The first part of the necessary enquiry is, what are the points of difference between the mark as used and the mark as registered? Once those differences have been identified, the second part of the inquiry is, do they alter the distinctive character of the mark as registered?"

44. The distinctive character of a trade mark (what makes it in some degree striking and memorable) is not likely to be analysed by the average consumer, but is nevertheless capable of analysis ...

45. Because distinctive character is seldom analysed by the average consumer but is capable of analysis, I do not think that the issue of "whose eyes? – Registrar or ordinary consumer?" is a direct conflict. It is for the Registrar, through the hearing officer's specialised experience and judgment, to analyse the "visual, aural and conceptual" qualities of

a mark and make a "global appreciation" of its likely impact on the average consumer, who

"normally perceives a mark as a whole and does not proceed to analyse its various details."

The quotations are from paragraph 26 of the judgment of the Court of Justice in *Lloyd Schufabrik v. Klijsen Handel* [1999] ECR I-3819; the passage is dealing with the likelihood of confusion (rather than use of a variant mark) but both sides accepted its relevance."

16. The Hearing Officer's conclusions on whether there had been use during the relevant periods of any variant of the mark, which could be counted under section 46(2) of the TMA as use of the registered trade mark for the purposes of section 46(1), were as follows:

"32. The mark shown on the registered proprietor's invoices (Exhibit 3 to Mr. Chalcraft's declaration of 28 November 2003) comprises the word "Isosceles" under a highly stylised device – see paragraph 9 of this decision [paragraph 9 of my decision on appeal]. While this mark shares the word "Isosceles" with the registered trade mark, it differs in that:

- (i) the highly stylised device element shown on the mark in the invoices is not present in the registered mark; and
- (ii) the remainder of the registered mark, includes the words "Vitality Driver" and the different stylised device above and between these words.

33. Taking into account the obvious visual, aural and conceptual differences between the registered mark and the mark used on the invoices and the consequential difference in their totalities and overall impression, I have no hesitation in concluding that the mark used on the invoices possesses a different distinctive character from the mark as registered. Both marks contain different distinctive elements, which would be obvious to the relevant consumer and impact upon his/her overall impression.

34. I now turn to the marks shown on the sales brochures in Exhibit 5 to Mr. Chalcraft's declaration of 28 November 2003. While there is use within the brochure of:

*Isosceles*  
CONSULTING INC.

this use is not combined with the remaining (distinctive) elements of the registered mark i.e.



35. Furthermore, while there is use of the mark:



this differs from the registered mark in that it is not shown as a composite part of the mark containing:



and also it encompasses a stylised and distinctive presentation of the word BRAND, in particular the presentation of a letter A at the middle of that word.

36. Similarly, while there is use of the words BRAND VITALITY DRIVER, they are not shown combined with the remainder of the mark in suit.

37. Once again, it seems to me that there are obvious visual, aural and conceptual differences between the marks in use in/on the brochure and the registered mark. Bearing in mind the differences in the totality of the marks, I believe that the marks used possess a different distinctive character from the mark as registered. The marks contain different distinctive elements which would be obvious to the relevant customer and impact on his/her overall impression.”

17. I believe Ms. Edwards-Stuart is right when she says that the Hearing Officer applied the relevant statutory provisions to the facts in accordance with the proper authorities and made no error in arriving at his decision. The Registered Proprietor mentions in the grounds of appeal: (a) the belief that what is at stake in these proceedings is the ISOSCELES name and not the mark as registered because “the Applicant already has a device in use for all other classes of its Isosceles registration”; and (b) that the Registered Proprietor was not advised of the need to use the mark as registered. Whatever the motive behind the application for revocation, these proceedings do concern use of the registered trade mark. There remains some doubt surrounding whether a tribunal has residual discretion not to revoke a mark for non-use (Neuberger J. preferred the view that no such discretion existed in *Premier Brands UK Limited v. Typhoon Europe Limited* [2000] FSR 767. The House of Lords referred a question to the ECJ in Case C-195/01 *Scandecor Development AB v. Scandecor Marketing AB* [2001] ETMR 800 but the reference was subsequently withdrawn). But, in my view, these circumstances would not warrant the exercise of such discretion even if one existed.
18. The Registered Proprietor also comments in connection with the first ground of appeal that the Hearing Officer’s decision was not part of the Applicant’s evidence. I believe the Registered Proprietor might be under some misunderstanding of the nature of the revocation proceedings. Where an application for revocation of a registration is made under section 46(1) of the TMA on grounds of non-use, it is up to the Registered Proprietor to show what use has been made of the registered trade mark (section 100). If use has been made of a variant mark, the Registered Proprietor may be able to take advantage of the saving in section 46(2), i.e., use of the variant counts as use of the registered trade mark if in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered. But it is down to the Registered Proprietor to provide evidence of use of a qualifying variant. The Applicant is not obliged to prove in evidence that no such use has occurred.
19. The Registered Proprietor requests to re-register the mark to better reflect its usage. The nature of the request is unclear because the Registered Proprietor continues: “To not allow a rectification and simply revoke the mark would be tantamount to giving a lifetime driving ban to a first time parking ticket violator”. There are two points here. First, the Registered Proprietor can make at any time a fresh application for the registration of any mark it uses or intends to use. Second, section 44 of the TMA precludes the alteration of a registered trade mark in the Register except in the very limited circumstances permitted by section 44(2) namely, alteration of a proprietor’s name or address in a registered trade mark provided it does not substantially affect the identity of the mark, which do not apply here.
20. The Registered Proprietor complains that the Hearing Officer’s costs award of GBP 1000 to the Applicant is excessive. (I have already dealt with the Registered Proprietor’s point that no costs award should be made because the case was judged on a different issue than in the Applicant’s evidence.) Ms. Edwards-Stuart referred me to the Registrar’s scale of costs and observes that



the sum awarded was well within scale. I agree. Just because the Applicant is a law firm does not mean that it incurred no costs over and above the official revocation, and investigator's fees. The Hearing Officer expressly mentioned that his award took into account that there was no hearing below and that neither party forwarded submissions for the Hearing Officer's attention.

**Conclusion**

21. In the result, the appeal fails. Mr. MacGillivray ordered that the Registered Proprietor should pay the Applicant £1000 in respect of the application for revocation and I direct that a further sum of £500 should be paid by the Registered Proprietor to the Applicant towards the costs of this appeal to be paid on the same basis as indicated by Mr. MacGillivray.

Professor Ruth Annand, 15 April 2005

The Registered Proprietor did not appear and was not represented.

Ms. Anna Edwards-Stuart of Counsel instructed by Field Fisher Waterhouse appeared on behalf of the Applicant.