

O/176/06

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 81964
BY ASSOCIATED NEWSPAPERS LIMITED FOR
REVOCAION OF REGISTRATION NO 2146467
STANDING IN THE NAME OF WEI MING CHEUNG**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No 81964
by Associated Newspapers Limited for
Revocation of Registration No 2146467
standing in the name of Wei Ming Cheung**

BACKGROUND

1. Trade Mark No 2146467, METROPOLIS, is registered in respect of :-

Class 09:

Tapes and discs; audio, video and audio/video tapes and cassettes; compact discs; but not including any such goods being or relating to computer software.

Class 16:

Printed matter, books, magazines, periodical publications, newspapers, comics, novels, annuals, yearbooks, manuals, posters, photographs, albums, photograph stands, paper, articles made of cardboard, cards, postcards, notebooks, playing cards, calendars, catalogues; carrier bags; paintings and prints; modelling materials.

Class 25:

Clothing, footwear and headgear.

Class 28:

Toys, games and playthings.

2. On 10 December 2004 Associated Newspapers Limited applied for revocation of this registration under both Section 46(1)(a) and (b) of the Act. In relation to the (b) ground the applicant refers to an uninterrupted period of non-use of five years prior to 18 November 2004. In each case the applicant also claims there are no proper reasons for non-use.

3. The registered proprietor claims that there has been use with his consent and resists the application. Both sides ask for an award of costs. Only the registered proprietor filed evidence. The parties were reminded of their right to be heard or to file written submissions in lieu of a hearing. Neither side requested a hearing. Written submissions have been received on behalf of the applicant for revocation under cover of a letter dated 2 May 2006 from Haseltine Lake, its professional representatives in this matter.

The Law

4. Section 46 reads:

“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;
- (c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered;
- (d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

(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, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) An application for revocation may be made by any person, and may be made either to the registrar or to the court, except that -

- (a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and
- (b) if in any other case the application is made to the registrar,

he may at any stage of the proceedings refer the application to the court.

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from -

- (a) the date of the application for revocation, or
- (b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date.”

5. Section 100 is also relevant and reads:

"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."

Guiding principles

6. These can be found in the ECJ's judgment in *Ansul BV and Ajax Brandbeveiliging BV (Minimax)* [2003] RPC 40. I will record the relevant paragraphs in full:

“36 “Genuine use” must therefore be understood to denote use that is not merely token, serving solely to preserve the rights conferred by the mark. Such use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin.

37 It follows that “genuine use” of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability *vis-à-vis* third parties cannot continue to operate if the mark loses its commercial *raison d’être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Art.10(3) of the Directive, by a third party with authority to use the mark.

38 Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in

particular whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark.”

Relevant dates

7. This action has been brought under Section 46(1)(a) and (b). In relation to (a) the relevant period is the five years following the date of completion of the registration procedure. The application was filed on 26 September 1997 and proceeded to registration on 25 September 1998. The relevant five year period, therefore, runs from 26 September 1998 to 25 September 2003.

8. In relation to (b) the applicant has referred to a five year period prior to 18 November 2004. That is 18 November 1999 to 17 November 2004.

The registered proprietor's evidence

9. This comes in the form of a witness statement by Nicholas Landau, the Managing Director of Forbidden Planet Limited, a company owned by Titan Entertainment Group Limited. His company uses the mark at issue with the consent of the registered proprietor. Mr Cheung, the proprietor, is Executive Director of Forbidden Planet Limited.

10. The substance of Mr Landau's evidence regarding use of the mark is as follows:

- “4. The Trade Mark has been used consistently by my Company since 2002 in relation to the registered goods. My Company has produced and distributed mail order catalogues called METROPOLIS for Christmas 2002, Christmas 2003 and Winter 2004.

There is now produced and shown to me marked Exhibit 1 copies of the METROPOLIS mail order catalogues for Christmas 2002, Christmas 2003 and Winter 2004. The Trade Mark appears in the title of the catalogue and at various places throughout the catalogue, which have been highlighted for ready reference.

5. The METROPOLIS catalogues have been sent to many destinations throughout the United Kingdom. The METROPOLIS catalogue was put as an insert into my Company's DREAMWATCH magazine, which is a magazine about science fiction entertainment. The METROPOLIS catalogue has also been an insert in subscription copies to key magazine titles, i.e. those to which the customers of Titan Publishing Group Limited (which is a company that is also owned by Titan Entertainment Group Limited subscribe, namely Star Trek, Star Wars, Stargate, Buffy the Vampire Slayer, Angel and Charmed.

The magazine subscribers of Titan Publishing Group Limited number approximately 9,400 individuals throughout the United Kingdom. In addition, the DREAMWATCH magazine is distributed to

approximately 900 newsagents around the United Kingdom and the METROPOLIS catalogue was sent to those 900 newsagents.

The METROPOLIS catalogues were also mailed to approximately 5,000 individuals, whose names are maintained on the Forbidden Planet Limited Mail Order Customer Database.

6. My Company has published promotional leaflets for cinema distribution under the trade mark METROPOLIS. The leaflets were published in July 2002 featuring products relating to the character Spiderman.

There is now produced and shown to me marked Exhibit 2 one of the leaflets.

7. The goods sold in connection with the trade mark METROPOLIS have included the following:

Books	CDs
Graphic novels	Video tapes
Calendars	Cassette tapes
Diaries	Toys
Cards	Games
Posters	Giftware
T-shirts	Desktop toys, executive toys
Action figures	Statues and busts
DVDs	

8. Forbidden Planet Limited had a turnover of £7.19 million in the year ended 31 December 2002; a turnover of £7.2 million in the year ended 31 December 2003; and a turnover of £7.75 million in the year ended 31 December 2004.

My Company's Forbidden Planet stores are promoted in the METROPOLIS catalogues.

Forbidden Planet Limited runs a mail order operation under the title Forbidden Planet Mail Order. The sales generated from the METROPOLIS catalogues were conducted through the Forbidden Planet Mail Order operation. The sales revenue was billed on stationery under the heading Forbidden Planet Mail Order. There was no distinction in separately identifying the revenue attributed to the METROPOLIS Catalogue and the Forbidden Planet Mail Order operation.

Total revenues generated by Forbidden Planet Mail Order were as follows:-

Year ended 31 December 2002:	£163,000
Year ended 31 December 2003:	£196,000
Year ended 31 December 2004:	£155,000”

Applicant’s written submissions

11. The applicant makes three main points. Firstly, it is said that there is no independent evidence that the use shown was with the proprietor’s consent. Secondly, there is insufficient evidence that the mark has been used in this country. Thirdly the use that has been shown is in relation to a mail order catalogue service and not in relation to the goods of the application.

DECISION

12. It is clear from the wording of the Act that use with the consent of the registered proprietor is deemed to be use by the proprietor himself. If in other respects that use satisfies the criteria set down in *Ansul*, it will be sufficient to defeat an application for revocation.

13. The applicant has taken the view in written submissions that the link between the proprietor and the declarant and his company has not been independently corroborated. The applicant did not file evidence so this is the first time the registered proprietor would have been alerted to any challenge to the substance or sufficiency of its evidence on this point. The applicant does not suggest that there are grounds for thinking that the claimed link does not exist merely that it has not been independently substantiated.

14. Mr Landau’s explanation of the relationship between his company and the registered proprietor is in my view clearly set out. I see no reason why that explanation should not be taken at face value. To do otherwise would be to ambush the registered proprietor on a point that had not hitherto been seriously contested. The ECJ considered the issues of consent and burden of proof in Case C-416/04P, *The Sunrider Corp and OHIM*, on appeal from a judgment of the Court of First Instance. Although the issue in that case was proof of use in opposition proceedings, the findings of the Court are also relevant in the context of a non-use revocation action. The ECJ held:

“46 After noting, in paragraph 23 of the judgment under appeal, that the name of the company Industrias Espadafor SA, which made use of the earlier trade mark, reproduced part of the name of the proprietor of that trade mark and having held, in paragraphs 24 and 25 of the judgment, that it was unlikely that Mr Espadafor Caba would have been in a position to submit the proof of use of the trade mark which he did produce before the opposition Division and the OHIM Board of Appeal if that use had taken place against his wishes, the Court of First Instance found that OHIM had correctly relied on the presumption that the opposing party had consented to the alleged use of the earlier trade mark.

47 In so doing, the Court of First Instance did not require the appellant to prove the lack of consent, but relied on the material adduced by the opposing party and found that his consent to the alleged use had been proved. It did not, therefore, reverse the burden of proof.”

and

“51 For the sake of completeness, the Court of First Instance, in paragraphs 26 and 27 of the judgment under appeal, found that ‘[t]here was all the more reason for OHIM to rely on [the] presumption [that the opposing party had consented to the alleged use] given that the applicant did not dispute that the earlier trade mark had been put to use by Industrias Espadafor SA’.”

15. As with the *Sunrider Corp* case I find that it is reasonable to infer that Mr Landau would not have been in a position to give the evidence he does if the use had not been with the consent of the registered proprietor.

16. The second and third points raised by the applicant in its written submission can be considered together going as they do to the use that has been made of the mark. Mr Landau’s evidence is to the effect that sales generated from the METROPOLIS catalogues were conducted through the Forbidden Planet Mail Order operation but that disaggregated figures are not available to indicate revenues generated by METROPOLIS alone. That does not mean that the use shown cannot be considered as meeting the *Ansul* test. It is clearly not token use nor is it internal use. The METROPOLIS catalogue was distributed to some 9,400 magazine subscribers of Titan Publishing Group Ltd and, additionally, some 900 newsagents around the UK. The catalogue was also mailed to approximately 5,000 individuals on the Forbidden Planet mailing list. Samples of the catalogues for Christmas 2002, Christmas 2003 and Winter 2004 have been exhibited to Mr Landau’s witness statement.

17. The more difficult question is whether the use shown relates to the goods of the registration or whether, as the applicant contends, it is use of METROPOLIS in relation to a mail order service.

18. The three specimen catalogues at Exhibit 1 are in a broadly consistent format. The most recent (Winter 2004) can be taken as exemplifying the proprietor’s use. The front page shows the mark METROPOLIS and above it the words ‘The Future of Sci-fi & Cult Entertainment’. At the bottom of the page is an order line telephone number. The remainder of the front page and the rest of the catalogue are devoted to depictions of the products on offer (figurines, books, DVDs, toys, collectibles etc) and narrative text relating thereto. There are two pages which are exceptions. The inside front cover is an ‘About us’ page and the inside back cover is an ordering form for the merchandise displayed in the catalogue. References to METROPOLIS have helpfully been flagged. The only references to the word are in the title and the two inside cover pages. The goods themselves bear other marks.

19. The references to METROPOLIS on the inside cover pages are to the mail order operation along with related website addresses etc. I note that intellectual property

rights are acknowledged in a paragraph at the end of the narrative content on the front insider cover as follows:-

“ALIENS, ANGEL, BUFFY, FUTURAMA, PREDATOR, THE SIMPSONS © 2004 Twentieth Century Fox Film Corporation. All Rights reserved. STAR TREK TM ® & © 2004 Paramount Pictures. All Rights Reserved and All Related Marks are Trade Marks of Paramount Pictures. STAR WARS © 2004 Lucasfilm Ltd & TM. All Rights Reserved. MCFARLANE TOYS © 2004 Todd Mcfarlane Productions. TRANSFORMERS © 2004 Hasbro. All rights reserved JAMES BOND © 2004 Danjaq, LLC & Eon Productions Limited. LORD OF THE RINGS © 2004 New Line Productions Inc. All rights reserved. ALIAS © 2004 Buena Vista. MATRIX REVOLUTIONS © 2004 Warner Bros. MUPPETS © 2004 Jim Henson Company. TERMINATOR 3 © TM & 2004 Internationale Medien UND Film GMBH & Co 3 Produktions KG. HULK, SPIDER-MAN and X-MEN TM & © 2004 Marvel Characters Inc BATMAN, DEADMAN, FLASH, GREEN LANTERN, SUPERMAN and WONDER WOMAN TM & © 2004 DC Comics Inc. HELLBOY TM & © 2004 MIKE MIGNOLA. DOCTOR WHO © 2004 BBC. Metropolis logo & Lightning Device © 2004 FORBIDDEN PLANET LIMITED. METROPOLIS is a Registered Trademark. All Rights Reserved.”

20. Similar acknowledgments are contained in the 2002 and 2003 catalogues

21. Exhibit 2 is a copy of a leaflet intended for cinema distribution in July 2002 featuring products relating to the character Spiderman. There are reference in the body of the single fold document to Metropolis and Forbidden Planet offering merchandise from a number of cult, fantasy and SF TV series and movies including Angel, Buffy, Dr Who, Farscape, Lord of the Rings, The Simpsons, Futurama, Star Trek, Star Wars. There does not appear to be any acknowledgement of intellectual property rights save for references to the Metropolis logo and Lightning device © and Metropolis registered trade mark. Nevertheless, most of the product offerings mentioned above correspond to items contained in the 2002 catalogue where third party intellectual property rights are acknowledged.

22. The collective force of the material suggests to me that the METROPOLIS catalogue is a medium for bringing together goods from a variety of sources. I agree with the applicant that the use shown of METROPOLIS is in connection with a mail order service for the goods in question. There is nothing to suggest that the mail order organisation is making itself responsible for the goods in question as distinct from the service of providing a single source from which they can be purchased.

23. There is no reason in principle why use of a mark by a mail order company cannot be taken as use in relation to the goods offered in addition to the service itself. It is a question of fact as to what the position is in any particular case. In *Euromarket Designs Incorporated v Peters and Another*, [2001] F.S.R. 20 Jacob J (as he was then) said:

“57. In this connection it should be borne in mind that the Directive does not include an all-bracing definition of “use”, still less of “use in relation to goods.” There is a list of what may inter alia be specified as infringement

(Article 5(3), corresponding to section 10(4) and a different list of what may, *inter alia*, constitute use of a trade mark for the purpose of defeating a non-use attack (Article 10(2), equivalent to section 46(2)). It may well be that the concept of “use in relation to goods” is different for different purposes. Much may turn on the public conception of the use. For instance, if you buy Kodak film in Boots and it is put into a bag labelled “Boots”, only a trade mark lawyer might say that that Boots is being used as a trade mark for film. Mere physical proximity between sign and goods may not make the use of the sign “in relation to” the goods. Perception matters too.”

24. I find that the use shown here is not ‘in relation to’ the goods depicted in the catalogue and the subject of the registration in suit. An issue may arise as to whether the registered proprietor should retain ‘catalogues’ in the Class 16 specification because this is a product that bears the METROPOLIS name. However, I note that the proprietor makes no claim in this respect in paragraph 7 of Mr Landau’s witness statement quoted above. In reality, it seems to me that the proprietor is not trading in catalogues. It is merely that catalogues are an adjunct to the mail order service. They are one of the means by which the availability of the mail order service is made known to the public.

25. The registration, therefore, falls to be revoked in its entirety. The application has been made under Section 46(1)(a) but the applicant has not specifically raised a claim for revocation from a date earlier than 18 November 2004. That therefore, appears to be the relevant date for revocation purposes – see *Datasphere Trade Mark*, BL O/018/06 where the Appointed Person considered the question and followed *Omega SA v Omega Engineering Inc*, [2003] FSR 49, where Jacob J indicated that “the mere reference to Section 46(1)(a), to my mind, does not fairly put in play the use going back beyond the five year period immediately before the application for revocation”. Revocation will, therefore, take effect from 18 November 2004.

COSTS

26. The applicant for revocation has been successful and is entitled to a contribution towards its costs. I order the registered proprietor to pay the applicant the sum of **£1000**. This sum is 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 22nd day of June 2006

M REYNOLDS
For the Registrar
the Comptroller-General