

IN THE MATTER OF REGISTERED TRADE MARK NO. 2108705 IN THE
NAME OF CHECKER LEATHER LIMITED

AND IN THE MATTER OF APPLICATION FOR RECTIFICATION THEREOF
NO. 82210 BY SRIBHAN JACOB COMPANY LIMITED

DECISION

Introduction

1. On 29 August 1996 Vannoort Ltd (“Vannoort”) applied to register the following trade mark in class 18 in respect of a specification of goods which was subsequently amended to “bags, backpacks, cases, travel bags, sports bags, briefcases, handbags, satchels, purses, wallets and key holders” (“the Mark”):



2. The Mark was registered under No. 2108705 on 19 September 1997. On 13 December 2001 Vannoort changed its name to Van Gestel Ltd (“Van Gestel”). On 20 May 2002 Van Gestel assigned the Mark to Checker Leather Ltd (“Checker”) in consideration of the payment of £1. On 14 June 2002 the assignment was recorded on the Register of Trade Marks. Accordingly, since that date Checker has been the registered proprietor of the Mark.

3. By an application dated 13 March 2005 but filed on 12 July 2005 Sribhan Jacob Company Ltd (“Sribhan”), a company registered in Thailand, applied for rectification of the Register asking that its name be substituted as the proprietor of the Mark on the ground that the Mark was applied for by a person who was an agent or representative of a person who was the proprietor of the Mark in a Convention country within section 60(1) of the Trade Marks Act 1994.
4. Both parties filed evidence and written submissions but neither requested a hearing. Dr L. Cullen acting for the Registrar found in Sribhan’s favour in a written decision dated 10 June 2007 (O/171/07). Checker now appeals.

Section 60 of the Trade Marks Act 1994

5. Section 60 of the 1994 Act provides in relevant part:
 - (1) The following provisions apply where an application for registration of a trade mark is made by a person who is an agent or representative of a person who is the proprietor of the mark in a Convention country.
 - (2) If the proprietor opposes the application, registration shall be refused.
 - (3) If the application (not being so opposed) is granted, the proprietor may-
 - (a) apply for a declaration of the invalidity of the registration, or
 - (b) apply for the rectification of the register so as to substitute his name as the proprietor of the registered trade mark.
 - ...
 - (5) Subsections (2), (3) and (4) do not apply if, or to the extent that, the agent or representative justifies his action.
 - (6) An application under subsection 3(3)(a) or (b) must be made within three years of the proprietor becoming aware of the registration...
6. Section 60 implements Article 6*septies* of the Paris Convention for the Protection of Industrial Property (“the Paris Convention”) and corresponds to

Articles 8(3), 11, 18 and 52(1)(b) of Council Regulation 40/94/EC of 20 December 1993 on the Community trade mark (“the CTM Regulation”).

Article 6septies of the Paris Convention

7. Article 6septies of the Paris Convention as last revised at Stockholm in 1967 and amended in 1979 provides:
 - (1) If the agent or representative of the person who is the proprietor of a mark in one of the countries of the Union applies, without such proprietor’s authorization, for the registration of the mark in his own name, in one or more countries of the Union, the proprietor shall be entitled to oppose the registration applied for or demand its cancellation or, if the law of the country so allows, the assignment in his favour of the said registration, unless such agent or representative justifies his action.
 - (2) The proprietor of the mark shall, subject to the provisions of paragraph (1), above, be entitled to oppose the use of his mark by his agent or representative if he has not authorized such use.
 - (3) Domestic legislation may provide an equitable time limit within which the proprietor of a mark must exercise the rights provided for in this Article.

Matters not in issue

8. There was no dispute before the hearing officer that the application had been made within the time limit specified in section 60(6), it being Sribhan’s evidence that it had discovered the existence of the Mark on 7 July 2003.
9. There was a dispute between the hearing officer as to whether Sribhan, as a company registered in Thailand, was entitled to apply for rectification under section 60 given that Thailand is a member of the World Trade Organisation but is not a contracting state under the Paris Convention. The dispute arose out of the fact that, when section 55 of the 1994 Act was amended by the Patents and Trade Marks (World Trade Organisation) Regulations 1999, SI 1999 No 1899, the definition of “Convention country” contained in section 55(1)(b) of the 1994 Act as meaning “a country, other than the United Kingdom, which is

party to that Convention [i.e. the Paris Convention]” was left unchanged, a point I commented on in *Le Mans Autoparts Ltd’s Trade Mark Application* (O/012/05) at [50]. The hearing officer concluded, for the reasons he gave, that the reference in section 60 to “a Convention country” should nevertheless be interpreted as extending to a country which is a member of the WTO. There is no appeal from this part of his decision. I would nevertheless make two comments.

10. The first is to note that, as counsel for Sribhan pointed out, section 55(1)(b) was amended during the pendency of these proceedings by the Intellectual Property (Enforcement, etc) Regulations 2006, SI 2006 No 1028, so as to add the words “or to that Agreement [i.e. the WTO Agreement]” at the end of the wording quoted above. This solves the problem which confronted the hearing officer.
11. The second is that it seems to me that the relevant question is not whether the applicant for rectification is incorporated in a Convention country, but whether it is the proprietor of the mark in a Convention country. On the facts of this case this makes no difference, but in other cases it might do.

The dispute

12. In a nutshell, Sribhan’s case before the hearing officer was that, at the time that Vannoort applied for the Mark, Vannoort had been its “agent or representative”. More specifically, it was Sribhan’s case that Vannoort was its UK distributor for leather goods which it made and sold under the Mark. Sribhan did not suggest that Checker had ever been its “agent or representative”, but claimed relief against Checker as Vannoort’s successor in title. Checker’s case in a nutshell was that Vannoort was not Sribhan’s distributor, but rather Sribhan was one of a number of manufacturers which Vannoort had engaged to manufacture leather goods for Vannoort to market under the Mark.

13. Evidence was given in support of Sribhan's case by Jamaree Blaney Davidson, who had been Sribhan's Export Director since 1987. Evidence was given on behalf of Checker by Robin Finch, who was Managing Director of Vannoort from at least 1990 onwards. There was a stark conflict of evidence between Mrs Davidson and Mr Finch, but no application was made for cross-examination by either party. In these circumstances the hearing officer had to assess the evidence as best he could in accordance with the approach outlined in *BRUTT Trade Marks* [2007] RPC 19 at [21]-[30].

The uncontested facts

14. There is no dispute between the parties as to the facts relating to the period prior to 1990. These may be summarised as follows.
15. Sribhan, which is closely associated with, if not actually the same as or part of, an entity called Cheun Fah Limited Partnership ("Cheun Fah")) has manufactured leather goods, chiefly bags and cases, since the 1950s under the trade mark JACOB. It is the proprietor, or one of the proprietors, of Thai registered trade mark Kor 50549 registered in respect of bags in class 18 with effect from 3 October 1956. The mark which is the subject of this registration is as follows:



16. On 12 May 1980 Sribhan entered into a written agreement with Bettonhouse Ltd trading as Roben Marketing Consultancy ("Bettonhouse"). This agreement was headed "AGENCY AGREEMENT" and in it Sribhan was referred to as

“PRINCIPAL” and Bettonhouse was referred to as “AGENT”. The agreement recited:

Whereas the AGENT is purchasing and the PRINCIPAL is supplying the JACOB Leather Goods (Hereinafter described as the ‘AGENCY GOODS’ manufactured by CHEUN FAH LTD. PART....

Under the agreement Sribhan appointed Bettonhouse as the sole agent for the territory of the United Kingdom for the sales of AGENCY GOODS. Although expressed in terms of agency, it is clear from its terms that it was accurately described by Mrs Davidson as a distribution agreement.

17. Bettonhouse was run by two men called Mr Beller and Mr Erdem. A photograph of Bettenhouse’s stand at a trade exhibition in the UK dating from the early 1980s shows, in addition to Mr Beller and Mr Erdem, use of the trade mark JACOB essentially in the form of the Mark save that the black background is rectangular rather than oval and in the form of black script on a white background. The display materials were supplied by Sribhan.
18. Unbeknownst to Sribhan at the time, on 19 January 1981 Roben Beller Marketing Ltd, which had the same address as Bettonhouse, filed application No. 1147235 to register the word JACOB as a trade mark in respect of goods in class 18. This application was subsequently abandoned.
19. Also unbeknownst to Sribhan at the time, on 28 September 1983, Marcel Beller filed application No. 1204192 to register the word JACOB as a trade mark in respect of goods in class 18. This application proceeded to registration on 6 February 1987. On 9 May 1989 Mr Beller assigned the registration to Jacob House Ltd, who in turn assigned it to Jacob Ltd on 11 May 1989. Both assignments were recorded on the Register. The registration was subsequently assigned to Bailey Brook Ltd (“Bailey Brook”), but this assignment was not recorded on the Register.
20. At some point in the 1980s Mr Erdem disappeared with unpaid debts leaving Mr Beller in charge. Subsequently Mr Beller entered into business with a Mr

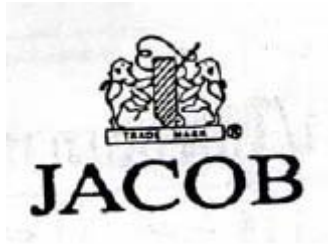
Shack through the medium of City Cash and Carry Ltd (“City”). Sribhan entered into a “verbal agreement” with City for the sale of its leather goods. A fax on Cheun Fah headed notepaper, but stated to be from Sribhan, to City dated 8 March 1989 refers to attaché cases being supplied by Cheun Fah/Sribhan to City. This fax also contains reference to Bailey Brook. The notepaper describes Cheun Fah as “‘JACOB’ LEATHER GOODS MANUFACTURER & EXPORTER” and bears the version of the trade mark in black script described above. A number of invoices from Cheun Fah to City dating from 22 and 27 March 1989 are in evidence together with related air freight documents. The invoices describe Cheun Fah in the same way as the notepaper.

21. Mr Finch’s evidence is that, as at 1990, Bailey Brook traded under the name City Cash and Carry. It is possible that at some point there was a transfer of assets from City to Bailey Brook, as well from Jacob Ltd to Bailey Brook.
22. It is common ground that in 1990 City/Bailey Brook sold the whole or part of its business to Vannoort. The assets which Vannoort acquired included registration No. 1204192, although the assignment was not recorded on the Register. This registration subsequently lapsed on 6 January 1991 for non-payment of a renewal fee due on 28 September 1990. Mr Finch’s evidence is that he filed the application for the Mark when he discovered that the earlier registration had lapsed.

The evidence on the key issue

23. As noted above, there is a stark conflict of evidence between Mrs Davidson and Mr Finch on the key issue of whether or not Vannort was Sribhan’s distributor at the time that the application for the Mark was filed.
24. Mrs Davidson’s evidence is that Vannoort became Sribhan’s distributor in succession to City/Bailey Brook from 1990 until Sribhan lost contact with it in 2002. In support of this statement she produces three pieces of evidence in addition to the previous history recited above. First, she exhibits invoices and

air freight documents from Cheun Fah and Sribhan to Vannort dating from 14 March 1997 to 4 May 2001 which evidence the supply of over \$120,000 worth of goods. The earlier documents are from Cheun Fah which is described in the manner set out in paragraph 20 above. The later documents are from Sribhan. The last invoice from Sribhan dated 3 May 2001 bears the following mark in addition to its name:



25. Secondly, Mrs Davidson exhibits a letter addressed “TO WHOM IT MAY CONCERN” on the headed notepaper of Vannoort signed by Mr Finch and dated 9 July 1997 which states:

Our company has been marketing the products of Jacob-Thailand (Cheun-Fah) for a considerable number of years.

The Jacob name has now been established on the British market for quite some time and to my knowledge is one of the few well known Thai products in the international market place.

It is in recognition of the importance of this well established Thai brand that we ourselves refer to ourselves as **Vannoort-Jacob**. This assists us in marketing the Thai product of that name in the British market.

I do believe that Cheun Fah are probably the most deserving company to achieve a Prime Minister’s Award for Achievements in exhibiting products with a Thai brand name.

The headed notepaper is headed with a Vannort logo. Underneath this are the words JACOB FINE LEATHERS in stylised print. At the foot of the page are three logos, one of which is the Mark, underneath the legend “Distributors of Exclusive Leather Goods”.

26. Thirdly, she produces correspondence from July 2003 relating to the circumstances in which Sribhan discovered that Checker had acquired the Mark and Sribhan's reaction to this news.
27. Mr Finch's evidence is that, at the time that Vannoort acquired the business from City/Bailey Brook, goods bearing the Mark were sourced by City/Bailey Brook from three different manufacturers, including Sribhan. Mr Finch does not identify the other manufacturers, let alone producing supporting evidence. Mr Finch says that the Mark was owned by City/Bailey Brook, who purchased unbranded goods to which it instructed the manufacturers to apply the Mark.
28. Mr Finch says that subsequently Vannoort stopped purchasing goods from Sribhan, and sourced them elsewhere. In support of this statement he exhibits a catalogue which he says dates from 1998 and says that none of the goods advertised were sourced from Sribhan. He does not explain how this account squares with the invoices from Sribhan which post-date 1998.
29. Mr Finch's explanation for the letter dated 9 July 1997 is as follows:

At the time of writing the letter referred to, I worked as a consultant for the UN and on occasions for the Thai Leather Goods Association. As I held these positions, I was asked by Mrs Blaney Davidson if I would write a letter in support of Sribhan's application for a trade prize from the Thai government. I had previously enjoyed a very good working relationship with Sribhan, and my decision to purchase goods elsewhere was solely for economic reasons, therefore I agreed to sign such a letter, which was in fact prepared by Mrs Blaney Davidson herself.

It will be noted that Mr Finch does not actually say that the statements in the letter were untrue.

30. In her evidence in reply Mrs Davidson denies composing the 9 July 1997 letter.

The hearing officer's decision

31. The hearing officer's decision contains a detailed consideration of the disputed and undisputed evidence. On the central issue, it is clear that he found the evidence of Mrs Davidson more persuasive than that of Mr Finch, as can be seen from the following passages in his decision:

100. It is clear from Exhibit JBD6, that Cheun Fah sold a significant amount of leather goods to Vannoort as summarised in Table 1 above in the period 1997 to 2001. Thus Vannoort had a clear commercial relationship with Cheun Fah the manufacturer and exporter of JACOB leather goods. I find it hard to believe, despite what Mr Finch says that, he or his company was not aware that JACOB was a trade name, brand name or trade mark being used by one of its suppliers.

101. It is clear from all the invoices that Sribhan and Cheun Fah sent to Vannoort in this period that both of these companies supply leather goods identified by the word JACOB. The word JACOB appears on all the correspondence between Cheun Fah or Sribhan and Vannoort either as the word alone or in same form as Thai trade mark registration Kor 50849. From this I conclude that, on balance, Vannoort could not have avoided being aware of the fact that Sribhan & Cheun Fah sold leather goods identified by the trade mark JACOB.

102. I am not persuaded that Vannoort would have been unaware of the relationship between Sribhan and Bailey Brook trading as City Cash & Carry. Vannoort would have had access to the details of Bailey Brooks trading activities when it took the company over and it continued to buy goods from Sribhan. Thus it would have been aware of and/or exposed to the same information as Bailey Brook, i.e., that Sribhan and Cheun Fah are part of the same commercial group, that they manufacture and export leather goods under the brand name JACOB and that Sribhan and Cheun Fah had used a stylized form of the word Jacob to identify their goods.

...

104. I do not find any evidence that Vannoort made significant efforts to build up the trade in goods covered by the current registration that would allow them to obtain registration for the trade mark JACOB in their own right. I find no evidence to support the claim by Mr Finch that goods supplied to Vannoort were branded as JACOB goods at his or his company's instruction. Although Mr Finch states that his company's goods were purchased from many companies and then branded by all these companies with the JACOB mark owned by Vannoort Limited at their request, he produces no evidence to support this statement or his general observation that this type of practice is

common in the trade. Although Checker in their written submission mentioned the names of a number of other Thai leather goods producers that Checker or Vannoort could have used, no evidence is provided to show that they were used or that they provided leather goods with the JACOB trade mark applied to them at the request of Vannoort or Checker. Thus I find that, on balance, Checker or their predecessor in title, Vannoort, would not be able to show sufficient justification under section 60(5) to deny the request for rectification under section 60(3)(b).

105. I am satisfied Vannoort could not have avoided the knowledge that Sribhan and Cheun Fah branded all of their goods as JACOB in a form that is identical or, if not identical, is not sufficient to alter the distinctive elements of the registered trade mark. I do not believe that Vannoort's choice of the word JACOB in the stylised form shown in the current registration was accidental or a coincidence.

106. ... Mrs Davidson in paragraph 11 of her first witness statement points out that the text of [the 9 July 1997] letter makes it clear that Jacob is a 'well established Thai Brand', and that Vannoort 'has been marketing the products of "Jacob-Thailand" (Cheun Fah) for a considerable number of years'. The foot of this letter shows the stylised JACOB trade mark and also states that Vannoort are 'Distributors of Exclusive Leather Goods'. Clearly, Mr Finch must have been aware of all these facts when he signed the letter and would have had an opportunity to change them if he saw fit. The letter is dated 1997 and, from the invoices exhibited as JBD6, relates to a time when Vannoort was regularly purchasing goods from Sribhan/Cheun Fah. This clearly implies that Vannoort was well aware of the existence of Sribhan and Cheun Fah and of their use of the trade name JACOB to brand their goods.

...

109. I am not fully convinced that Sribhan and Vannoort had a distribution agreement of the type that existed between Sribhan and Bettonhouse. I am sure that if they had such a written agreement, Sribhan would have provided it in evidence. However, I am satisfied that Checker's predecessor in title, Vannoort, were fully aware that Sribhan and Cheun produced and sold leather goods under the trade name JACOB. I am also satisfied that, as indicated above, use of the trade mark JACOB for such goods in the UK can be traced back to Vannoort's predecessors in title, Bailey Brook Ltd, Jacob Ltd, Jacob House Ltd., Marcel Beller, Roben-Beller Marketing and Roben Marketing Consultancy, the trading name of Bettonhouse Ltd, who were agents of Sribhan and Cheun Fah in the UK. ... Thus, there was only one source in the UK of goods branded in the same way, for all intensive [sic] purposes, as those produced by Sribhan in Thailand (see above discussion).

32. The hearing officer expressed his conclusion as follows:

111. Taking all of the above into account, I conclude that, on balance, there is sufficient evidence to show that Checker Leather Limited is successor in title to Bettonhouse Ltd, trading as Roben Marketing Consultancy. Bettonhouse Ltd were sole agents in the UK for Sribhan Jacob Limited of Thailand. At the time of the application for rectification, Checker was the sole distributor of JACOB branded goods in the UK. As a consequence, I find that, as successor in title and sole distributor of goods bearing the JACOB band in the UK at the time of the application, Checker must also be considered as the agent or representative of Sribhan in the UK and this is sufficient to entitle Sribhan to seek rectification of the Trade Mark Register under Section 60(3)(b) of the Act.

Standard of review

33. This appeal is a review of the hearing officer's decision. Counsel were agreed that the hearing officer's decision involved assessments of the kind to which the approach set out by Robert Walker LJ in *REEF TM* [2002] EWCA Civ 763, [2003] RPC 5 at [28] applied:

In such circumstances an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle.

A decision does not contain an error of principle merely because it could have been better expressed.

Grounds of appeal

34. Checker appeals on six grounds. As clarified in counsel's submissions and re-ordered slightly, these are as follows. First, it contends that the hearing officer wrongly ignored the fact that Checker had acquired the Mark in good faith in the belief that Van Gestel was the rightful owner of it. Secondly, it contends that the hearing officer wrongly ignored the differences between the Mark and Sribhan's Thai registration. Thirdly, it contends that there was no or insufficient evidence that the relationship between Sribhan and Vannoort was such as to make the latter the "agent or representative" of the former. Fourthly,

it contends that the hearing officer was wrong to regard the 9 July 1997 letter as supportive of Sribhan's case. Fifthly, it says that the hearing officer's analysis was insufficiently careful and rigorous, and in particular that his conclusion as expressed in paragraph 111 of his decision is erroneous in a number of respects. Sixthly, it contends that the hearing officer should have held that Vannoort was the owner of the UK goodwill attaching to the Mark and that this confirms that Vannoort was not Sribhan's "agent or representative" or at least means that its action in applying to the register the Mark was justified.

The law

35. Before turning to consider Checker's grounds of appeal, it is convenient to record two legal points which were not disputed before me.
36. First, in considering an application under section 60(3)(b), the position must be judged as at the date on which the application to register the trade mark was filed. In this respect the position is the same as an application under section 60(3)(a) or an application for a declaration of invalidity on the ground that the mark was applied for in bad faith contrary to section 3(6).
37. Secondly, the words "agent or representative" in section 60 should be interpreted in the same way as the same words in Article 8(3) of the CTM Regulation have been interpreted by the Office for Harmonisation in the Internal Market in the three decisions which I cited in *BRUTT* at [101], namely *Promat Ltd v Pasture BV* (Decision 164C/00054844/1, Cancellation Division, 19 December 2002), *Sotorock Holding Ltd v Gordon* (Case R336/2001-2, Board of Appeal, 7 July 2003) and *Sybex Inc v Sybex-Verlag GmbH* (Decision 2486/2004, Opposition Division, 26 July 2004).
38. In *Promat v Pasture* it was held at [14]:

The terms ‘agent’ or ‘representative’ must be interpreted broadly to cover all kinds of commercial relationships, regardless of the *nomen juris* of the contractual relationship between the principal-proprietor and the agent-CTM applicant. Thus, it is sufficient for the purposes of Article 8(3) CTMR that there is some kind of agreement of commercial co-operation between the parties of a kind that gives rise to a fiduciary relationship by imposing on the applicant, whether expressly or implicitly, a general duty or trust and loyalty as regards the interests of the TM owner. It follows that Article 8(3) may also extend, for example, to licensees of the owner or to authorised distributors of the goods for which the mark in question is used.

39. In *Sotorock v Gordon* it was held at [17]:

Article 8(3) CTMR has its origins in Article 6^{septies} of the Paris Convention for the protection of Industrial Property (OJ OHIM 9/97, p.805). In the spirit of the original provision, Article 8(3) CTMR aims at providing a safeguard for trade mark proprietors against attempts at misappropriation of the trade marks by persons who are in a close business relationship with the proprietors. Such persons may have the capacity of a proprietor’s agent or representative, as is mentioned in the wording of Article 8(3) CTMR. The term ‘representative’ is a broad concept and may include a distributor or an importer of the proprietor’s goods or any party who acts for the proprietor in any trade connection. Both agent and representative, by virtue of the close commercial relationship they have with the trade mark proprietor, may be able to take advantage of the proprietor’s intellectual property. This provision sets down the limits of this relationship and offers protection to the trade mark proprietor where there is proof that the relationship exists and that the trade mark proprietor never consented to the agent’s or representative’s registering the proprietor’s trade mark in its own name.

40. In *Sybex v Sybex-Verlag* it was held at page 9 section 3:

In view of the purpose of this provision, which is to safeguard the legal interests of trade mark owners against arbitrary usurpation of their trade marks by trusted commercial associates, the terms ‘agent or representative’ should be interpreted broadly to cover all kinds of equivalent cases regardless of the *nomen juris* of the contractual relationship between the principal/proprietor and the CTM applicant. Thus, this provision could also encompass, for instance, local distributors, franchisees or licensees of the proprietor.

First ground of appeal

41. Checker points out that Peter Pattison, who had been Checker's Managing Director for 25 years, gave unchallenged evidence that, at the time that Checker acquired the Mark from Van Gestel, he believed that Van Gestel was the rightful owner of the Mark. There is no suggestion that Checker had notice of any claim by Sribhan prior to the assignment. As noted above, the assignment was for consideration. Accordingly, Checker contends that it was a bona fide purchaser for value without notice.
42. I am prepared to accept that this is so. The question, however, is what relevance this has to the present dispute. Counsel for Checker accepted that this did not give Checker an automatic defence. Instead, she argued that the remedy of rectification under section 60(3)(b) was a discretionary remedy, and that the discretion should be exercised in favour of Checker because it was a bona fide purchaser for value without notice.
43. I do not accept this argument, for two reasons. First, in my judgment the remedy of rectification under section 60(3)(b) is not a discretionary remedy. If the applicant for rectification establishes that the case falls within section 60(1), and the respondent to the application fails to justify its action within section 60(5), then the applicant is entitled to a declaration of invalidity or rectification at its election. Secondly, given that, as is common ground, the position must be judged as at the application date, it cannot be affected by a subsequent assignment any more than an application for a declaration of invalidity based on section 3(6) could be affected by a subsequent assignment. The remedy of an assignee such as Checker lies against its assignor.

Second ground of appeal

44. Checker points out that section 60(1) applies "where an application for registration of a trade mark is made by a person who is an agent or representative of a person who is the proprietor of *the mark* in a Convention country" (emphasis added). Checker submits that in the present case Sribhan is

not the proprietor of the Mark in Thailand, but only of the mark which is the subject of its Thai registration.

45. In *TRAVELPRO Trade Mark* [1997] RPC 864 the applicant for rectification was the proprietor of a US registration for the word TRAVELPRO for goods in class 18. The respondent had registered a trade mark consisting of the word Travelpro in a particular typeface together with a small device of a piece of luggage. The hearing officer held at 868-9:

... thus the two marks are not the same. However, I do not believe it necessary for the respective marks to be the same before a party may seek redress under this provision, which deals with the relationship between the owner of a foreign trade mark and his agent or representative and the use or registration of the trade mark by the latter. In my view if the agent or representative, without the permission of the owner, registers a trade mark which is not identical but only similar to the foreign trade mark then it would be unjust to deny the owner the opportunity of seeking redress under this provision. I am reinforced in this view by the following extract from the *Guide to the application of the Paris Convention for the Protection of Industrial Property* by Professor G.H.C. Bodenhausen:

- (e) The provision [Article 6*septies*] under consideration is applicable when the agent or representative of the proprietor of the mark in a country of the Union *applies for the registration of the mark in his own name in one of the countries of the Union*. In view of the purpose of the provision, it may be applied also when the mark in respect of which registration is applied for by the agent or representative is *not identical* but *similar* to the mark of the proprietor concerned.

In this case the overwhelming feature of both trade marks is the word 'Travelpro'. The fact that the US trade mark is in upper case whilst the United Kingdom registration of the same word is in upper and lower case makes no difference. Nor in my view does the device of a piece of luggage add anything to the distinctive character of the United Kingdom trade mark which is registered for luggage. I note in fact that the device is the subject of a voluntary disclaimer whereby the registered proprietor disclaims any exclusive rights to the device. In my view it is the word 'Travelpro' which is the predominant element of the registered trade mark and is the element which will fix itself in the minds of the public. I therefore hold that the trade mark on the United Kingdom register is essentially the same as that on the Principal Register in the USA of which the applicant is the proprietor and is therefore a mark which can be considered under section 60 of the Act.

46. Counsel for Checker accepted that section 60(1) was not restricted to an application to register a mark identical to that owned by the principal, but submitted that a strict test of similarity should be applied. Both counsel for Checker and counsel for Sribhan articulated the appropriate test in terms I found redolent of that applicable under section 46(2), but neither was prepared either to submit or to concede that that was the correct test. In my judgment an application by an agent or representative to register a mark which differs in elements which do not affect the distinctive character of the principal's mark is within section 60(1). I note that this appears to be the test applied under Article 8(3) of the CTM Regulation by the Office for Harmonisation in the Internal Market: see Part 3 of its Opposition Guidelines dated March 2004 at p. 15. It may be the case that section 60(1) extends to applications to register marks which are less similar than this, but for reasons that will appear it is not necessary for me to express any view as to this.
47. The hearing officer did not directly address the question of whether the Mark was sufficiently similar to the Thai registration in his decision, but it seems clear from the following passage in his decision that he considered that it was sufficiently similar on the basis that the distinctive element of both marks was the word JACOB and moreover both marks shared the same script:
102. Altering the form of the trade mark from the simple word mark JACOB in registration no. 1204192 to the stylised version used in registration no. 2108705 is not in my opinion sufficient to alter the distinctive element of the trade mark – the word JACOB. Indeed, the stylised form of the word Jacob appears to be much closer in form to that used in Sribhan's original Thai registration....
48. In my view the distinctive character of the Thai registration lies primarily in the word JACOB and secondarily in the particular script. I consider that the device adds relatively little to its distinctive character. I think that the average consumer would regard the Mark as essentially the same trade mark. Accordingly, in my judgment the Mark differs from the Thai registration in elements which do not alter its distinctive character and is therefore sufficiently similar for the purposes of section 60(1).

49. I would add that it appears possible that Sribhan could claim to be the proprietor of the Mark in Thailand even if does not own a registration for the Mark in Thailand on the basis that it owns the goodwill in the Mark in Thailand, or whatever the equivalent under Thai law is. It is at least arguable that section 60(1) protects principals who own rights in unregistered trade marks as well as those who own registered trade marks, and I note that this is how OHIM interprets Article 8(3) of the CTM Regulation: see Part 3 of the Opposition Guidelines at p. 6. This was not the basis on which Sribhan's application was made, however, and there is no evidence as to Thai law.

Third ground of appeal

50. Checker points out that, even applying the broad interpretation of the words "agent or representative" adopted by OHIM in the cases considered above, what Sribhan must show is that the relationship between itself and Vannoort was not merely that of vendor and purchaser but one involving trust and confidence. Checker also points out that Sribhan has not suggested that there was a written agreement between itself and Vannoort of the kind that existed with Bettonhouse and that Mrs Davidson's evidence as to the nature of the relationship is sparse. It therefore argues that Sribhan has not established that it had the requisite type of relationship with Vannoort.
51. I consider that there is force in each of Checker's first three points, but I do not accept the conclusion. As I read the hearing officer's decision, he found that at the relevant date Vannort was Sribhan's UK distributor for leather goods bearing the Mark in succession to City/Bailey Brook and Bettonhouse. In my judgment that was a finding he was entitled to make. Furthermore, I consider that Vannort's position as distributor fell within the description "agent or representative" as interpreted in the OHIM decisions.
52. A subsidiary point raised by Checker is that the invoices and other documents from Sribhan to Vannoort exhibited by Mrs Davidson do not explicitly state that the goods were marked JACOB. I agree with counsel for Sribhan that it is clear from the evidence as a whole, however, including the fact that one item

on one invoice bears the accompanying legend “NO JACOB LOGO”, that they were so marked.

Fourth ground of appeal

53. Checker argues that the 9 July 1997 letter is supportive of Mr Finch’s evidence rather than Mrs Davidson’s, in particular because it shows that Vannoort was trading as Jacob Fine Leathers without objection from Sribhan. I do not accept that the letter shows this. The most it shows that Vannoort referred to itself as Vannoort-Jacob. Even if it did show this, that would be consistent with Vannoort being a trusted distributor of Sribhan’s. In my judgment the hearing officer was not merely entitled but right to regard the letter as strong support for Sribhan’s case.

Fifth ground of appeal

54. Checker argues that paragraph 111 of the hearing officer’s decision contains a series of statements that are either irrelevant or simply wrong. First, there is no evidence that Checker is the successor in title to Bettenhouse as opposed to Vannoort. Secondly, the fact that Bettenhouse was Sribhan’s agent is immaterial given that the application was filed by Vannoort. Thirdly, the position as at the date of the application for rectification is immaterial. Fourthly, there is no basis for the hearing officer’s conclusion that Checker must be considered as the agent or representative of Sribhan.
55. Counsel for Sribhan accepted that paragraph 111 was muddled, but submitted that this was simply poor drafting and did not detract from the findings made by the hearing officer earlier in his decision.
56. I have to say that I am concerned about paragraph 111 given that it purports to encapsulate the hearing officer’s conclusion. Each of Checker’s criticisms of it is justified. Nevertheless I have concluded that Sribhan is right to say that this does not affect the validity of his decision. If paragraph 111 were excised from the decision, it would still contain findings in favour of Sribhan that would

justify the order for rectification and which the hearing officer was entitled to make.

Sixth ground of appeal

57. Checker contends that the evidence of Mr Finch establishes that, at least by the date of that the application for the Mark was filed, Vannoort was the owner of the UK goodwill in the Mark. In support of this contention Checker points in particular to the evidence that City/Bailey Brook and Vannoort sourced goods bearing the Mark from a number of different manufacturers. As counsel for Checker put it, they were hubs rather than conduits. Checker also argues that the evidence shows that the goodwill was built up by City/Bailey Brook and Vannoort. Counsel for Checker sought to draw an analogy with the decisions in *MedGen Inc v Passion for Life Products Ltd* [2001] FSR 496 and O/435/01. Checker contends that Vannoort's ownership of the goodwill supports its argument that the relationship was not of the right type, and in any event that this justified Vannoort applying to register the Mark within section 60(5).
58. I do not accept this argument for a number of reasons. First, as I have pointed out, it is clear that the hearing officer preferred the evidence of Mrs Davidson to that of Mr Finch. I consider that he was fully entitled to take that view. As I read paragraph 104 of his decision, the hearing officer did not accept Mr Finch's evidence that City/Bailey Brook and Vannoort had sourced JACOB goods from other manufacturers since this was a wholly unparticularised and unsubstantiated assertion. In my judgment he was entitled to make that assessment. Secondly, even taking Mr Finch's statement at face value, there is little evidence apart from the assertion of multiple sourcing to support the contention that the goodwill was owned by Vannoort. Thirdly, the hearing officer rightly regarded it as significant that JACOB goods made by Sribhan had initially been sold in the UK by Bettenhouse pursuant to its agreement with Sribhan. Thus the goodwill in the Mark was established by Sribhan's goods sold under that agreement. The case is in any event distinguishable from *MedGen* since a key factor in that case was the evidence that the foreign

manufacturer did not care what trade mark the products were marketed under in the UK.

59. I would add that I am not sure that ownership of the UK goodwill would amount to justification within section 60(5) in any event. The CFI has held that Article 8(3) of the CTM Regulation, which as noted above corresponds to section 60, is “designed to prevent the misuse of a mark by the trade mark proprietor’s agent, as the agent may exploit the knowledge and experience acquired during its business relationship with the proprietor and therefore improperly benefit from the effort and investment which the trade mark proprietor himself made”: Case T-6/05 *DEF-TEC Defense Technology GmbH v Office for Harmonisation in the Internal Market* [2006] ECR II-2671 at [38]. That purpose would be undermined if the agent or representative could obtain ownership of the mark by establishing ownership of the UK goodwill in it. It is not necessary to express a concluded view on this question for the purposes of the present case, however.

Conclusion

60. The appeal is dismissed.

Costs

61. The hearing officer ordered Checker to pay Sribhan £900 as a contribution to its costs. I shall order Checker to pay Sribhan an additional £1000 as a contribution to its costs of the appeal.

3 March 2008

RICHARD ARNOLD QC

Denise McFarland, instructed by Murgitroyd & Co, appeared for Checker (appellant).
Iona Berkeley, instructed by White & Case LLP, appeared for Sribhan (respondent).