

**TRADE MARKS ACT 1994**

**IN THE MATTER OF:**

**APPLICATION No. 84108**

**IN THE NAME OF FURNITURELAND.CO.UK LIMITED**

**FOR REVOCATION OF TRADE MARK REGISTRATION No. 2401897**

**IN THE NAME OF FURNITURE VILLAGE LIMITED**

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**DECISION**

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1. On 20 June 2011 Furnitureland.co.uk. Limited ('FURL') applied under Section 46(1)(a) of the Trade Marks Act 1994 for revocation of trade mark registration number 2401897 standing in the name of Furniture Village Ltd ('FV') on the ground that there had been no genuine use of the registered mark FURNITURELAND for any goods or services of the kind for which it was registered during the period of 5 years ending at midnight on 10 March 2011. Revocation was requested with effect from 11 March 2011.

2. In its Defence and Counterstatement filed on 17 October 2011 FV admitted that there had been no genuine use of the trade mark during the relevant 5 year period for '*carpets, underlays and floor coverings*' in Class 27. It maintained that there had been genuine use in relation to the remainder of the goods and services for which the trade mark was registered and stated that '*Evidence to demonstrate genuine use of the FURNITURELAND trade mark in relation to these goods and services will be provided in*

*due course*'. The registration was thus defended in relation to all of the following goods and services:

Class 20: Furniture, mirrors, picture frames; goods of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum and substitutes for all these materials, or of plastics; beds, sofa beds; mattresses; bed heads; bed bases; bed frames; bedsteads; bedding; divan sets; pillows; ornaments; cushions; fittings for curtains; parts and fittings for all the aforesaid goods.

Class 35: The bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a retail furniture store or by means of telecommunications.

Although FV formally defended the registration to that extent, in a letter of 5 October 2012 it put forward a '*non-binding*' proposal '*in the form of a fall-back position*' for restriction of its registration to:

Class 20: Furniture; mirrors; beds; sofa beds; bed bases; bed frames; bedsteads; parts and fittings for all the aforesaid goods.

Class 35: The bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a retail furniture store or by means of telecommunications.

3. It is relevant to observe firstly, that no defence was raised under Section 46(1)(a) of the Act to the effect that there were proper reasons for any non-use during the relevant 5 year period and secondly, that no defence was raised under Section 46(3) of the Act to the effect that genuine use of the trade mark had commenced or resumed after expiry of the relevant 5 year period on 10 March 2011 and before the filing of the application for

revocation on 20 June 2011. No finding could be made in favour of FV on either of those bases. That being so, the registration could only be saved from revocation by showing that there had been genuine use of the trade mark prior to the cut-off point at midnight on 10 March 2011.

4. For the overall purpose of deciding whether there had been ‘*genuine use*’ of the trade mark, it was necessary for the Registrar to be satisfied that the evidence adduced by FV showed use of the nature and quality envisaged by the case law summarised at paragraphs [28] and [29] of the Judgment of the CJEU in Case C-149/11 Leno Merken BV v. Hagelkruis Beheer BV [2012] ECR I-0000; [2013] ETMR 16; in the following terms:

28. The Court has already - in the judgments in *Ansul* and *Sunrider v. OHIM* and the order in *La Mer Technology* - interpreted the concept of ‘genuine use’ in the context of the assessment of whether national trade marks had been put to genuine use, considering it to be an autonomous concept of European Union law which must be given a uniform interpretation.
29. It follows from that line of authority that there is ‘genuine use’ of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether there is real commercial exploitation of the mark in the course of trade, particularly the usages regarded as warranted in the economic sector concerned as a means of maintaining or creating market share for the goods or services protected by the mark, the nature of

those goods or services, the characteristics of the market and the scale and frequency of use of the mark (see *Ansul*, paragraph 43, *Sunrider v. OHIM*, paragraph 70, and the order in *La Mer Technology*, paragraph 27).

As confirmed by the CJEU in Case C-40/01 *Ansul BV v. Ajax Brandbeveiliging BV* [2003] ECR I-2439 at paragraph [37]:

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.

5. It was incumbent upon FV under Section 100 of the 1994 Act to adduce evidence which showed that the registration of its mark in relation to goods and services of the kind itemised in paragraph 2 above had been supported by use in commerce of corresponding breadth during the relevant 5 year period. In order to determine the extent (if any) to which the protection conferred by registration of the trade mark could legitimately be retained, the Registrar needed to form a view as to what the evidence did and just as importantly what it did not '*show*' (per Section 100 of the Act) with regard to the actuality of use in relation to goods and services of the kind in issue. The evidence fell to be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addressed the actuality of use: see paragraphs [17] to [19] and [24] to [30] of the Decision of Mr. Daniel Alexander QC sitting as the Appointed Person in *PLYMOUTH LIFE CENTRE Trade Mark* BL O-236-13; [2013] RPC 34.

6. At the centre of FV's claim to have used the trade mark FURNITURELAND was an advertisement published in the Daily Star newspaper on Thursday, 10 March 2011 (i.e. the very last day of the relevant 5 year period). This is the advertisement:



There was no evidence of this advertisement having appeared in any other publication or at any time other than 10 March 2011.

7. The domain name [www.furnitureland.uk.com](http://www.furnitureland.uk.com) was registered by FV on 15 February 2011. On 10 March 2011, FV was being advised by its Search Engine Optimisation Consultant with regard to optimisation for the [www.furnitureland.uk.com](http://www.furnitureland.uk.com)

website: *'I'll add more [keywords] when we have specific product pages. I don't yet know what keywords I intend to target in the first campaign(s) because I'm not sure what content we're going to end up with on site!':* 1 Duggan 15; Exhibit C p.184. According to the evidence: *'The FURNITURELAND business went live on 25 March 2011 through the www.furnitureland.uk.com website' and 'Since the website went live, we have offered for sale a wide range of furniture products under the FURNITURELAND trade mark, including living room furniture, dining room furniture and bedroom furniture':* 1 Duggan 16.

8. The invoices at Exhibit J to Mr. Duggan's witness statement showed digital marketing consultants' fees for: "Creative development (1 day) HTML development (10 days) Project management (4 days)" being billed on 28 March 2011, fees for: 'Google Spend, Setup and Keyword Research, Tracking, Reporting and Management' being billed on 30 April 2011 and fees for: 'Hosting, Project management, Site amends' being billed on 4 May 2011. No invoices with dates earlier or later than these were produced in evidence. Exhibit L to Mr. Duggan's witness statement included an email of 6<sup>th</sup> April 2011 in which the digital marketing consultants stated: *'In terms of traffic driving activity then I'm assuming this is still on hold? Once some of the amends have been made then we can start to aggressively begin the SEO activity which currently stands at £2,000 per month. Let me know if you want to progress with either of these activities'.*

9. On 9 March 2011, FV sent its trade mark attorneys a copy of the advertisement that would be appearing in the following day's edition of the Daily Star newspaper. This was sent as a PDF attachment to an email which stated *'We are running a "request a call*

*back” service at present as the techy side has a glitch on the online order but we are throwing resource and money at getting that sorted’*: Exhibit K p.210. No evidence was given as to how FV actually implemented (if it did implement) the ‘request a call back’ service or as to what (if any) results in terms of requests and subsequent call-backs were achieved or when.

10. No dates or figures were provided for any traffic to the website [www.furnitureland.uk.com](http://www.furnitureland.uk.com) or for actual deliveries of any items of furniture into or out of stock at any warehouse facilities used by FV or for actual sales or supplies of any items of furniture by FV under or by reference to the trade mark FURNITURELAND.

11. The Registrar’s Hearing Officer (Mr. George Salthouse) concluded in his decision issued under reference BL O-101-13 on 23 February 2013 that FV had shown use of the trade mark FURNITURELAND during the period of 5 years ending on 10 March 2011 sufficient to justify retention of the registration in suit for a reduced specification of goods and services:

Class 20: Furniture, beds, mattresses; bed heads; bed bases; bed frames; bedsteads.

Class 35: The bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a retail furniture store or by means of telecommunications.

He ordered FV to pay £1,000 to FURL as a contribution towards its costs of the proceedings in the Registry.

12. The Hearing Officer came to the decision he did on the basis of the following assessment of the evidence on file:

[21] It is clear that the original use of the mark in suit by Furnitureland Limited ceased prior to the mark being registered. Therefore, I look solely to the use made of the mark by FV. It is clear from the evidence outlined in paragraph 7 above that FV began preparations to launch a website selling furniture in the UK in January 2011. A considerable amount of time and money was expended in these preparations. This included an advertisement in a national newspaper. The fact that the website had suffered a technical glitch and was not available at the date of the advertisement was an unfortunate event. But as is clear from the evidence FV arranged for the website to allow visitors to provide details and they would then be contacted or “called back”. As the correspondence shows FV was incurring additional costs in an effort to get the website up and running. The site went live on 25 March 2011. It is clear that the preparations for use of the mark in suit were considerably more than three months prior to the revocation action being filed on 20 June 2011, starting as they did in January of that year. I accept that the extent of the usage is virtually not dealt with in the evidence, as no evidence post the relevant date has been provided. I find that I have to rely upon the advertisement in the Daily Star which shows a picture of a sofa, a bed and a dining suite under the mark in suit. In my opinion, the evidence shows genuine use of mark only in relation to these goods and retail service thereto. However, the combination of the preparations and the advertisement is, in my opinion, just enough to show preparation for and genuine use of the mark in suit.

13. FURL appealed to an Appointed Person under Section 76 of the 1994 Act contending, in substance, that it was not open to the Hearing Officer to find that the evidence on file showed genuine use of the trade mark FURNITURELAND during the period of 5 years ending on 10 March 2011 in relation to any goods or services of the kind for which he had allowed the trade mark to remain registered. It also challenged a

procedural decision that had been made at a case management hearing (and subsequently re-affirmed in the decision issued on 23 February 2013) to grant FV an extension of time by 4 days from 23 January 2012 to 27 January 2012 within which to file evidence in chief in defence of its registration.

14. By not filing a Respondents Notice under Rules 71(4) to (6) of the Trade Marks Rules 2008, FV effectively adopted the position that the Hearing Officer's decision was correct and should be upheld for the reasons he had given.

15. I think it is clear that if the Hearing Officer had assessed the evidence on file with proper regard for the considerations noted in paragraphs 3, 4 and 5 above he would and should have concluded:

- (i) that the advertisement published in the Daily Star newspaper on 10 March 2011 was an isolated announcement, ahead of effective implementation, for a website at [www.furnitureland.uk.com](http://www.furnitureland.uk.com) which was not said to have gone live before 25 March 2011;
- (ii) that it could not be ascertained when or to what extent the website had actually been operated as an outlet (or conduit to an outlet) for the supply of any particular goods identifiable as furniture, beds, mattresses, bed heads, bed bases, bed frames or bedsteads or for the supply of any service of bringing together any identifiable variety or varieties of goods for viewing or purchasing either in a retail store or by means of telecommunications; and

(iii) that it could not be ascertained when or to what extent the website had actually been operated as an outlet (or conduit to an outlet) for the supply of any such goods or service under or by reference to the trade mark FURNITURELAND used in accordance with its essential function (i.e. to guarantee the origin of the goods or service).

16. These matters were crucially important to the evaluation of FV's claim that there had been genuine use of the trade mark FURNITURELAND prior to 11 March 2011 ahead of genuine use of the trade mark after 10 March 2011 (with respect to which, as I have said, Section 46(3) of Act was not invoked so as to provide FV with any independent basis for resisting the application for revocation). I do not doubt that activities shown to have been undertaken after the cut-off date set by Section 46(1)(a) might have served to confirm that activities shown to have been undertaken before that date involved or amounted to the commencement or resumption of genuine use of the trade mark in issue in the revocation proceedings: see Case C-295/02 La Mer Technology Inc. v. Laboratoires Goemar SA [2004] ECR I-1159 at paragraph [33]; JENSEN Trade Mark [2014] EWHC 24 (Pat); [2014] ETMR 18 (Mr. Henry Carr QC sitting as a Deputy High Court Judge) at paragraphs [21] to [27]. However, the evidence on file in the present case simply did not establish that the single advertisement published in the Daily Star on the cut-off date of 10 March 2011 pertained to any particular goods or services identified or identifiable as being at that time already marketed or about to be marketed under or by reference to the trade mark FURNITURELAND so as to constitute real commercial exploitation of the mark in the course of trade consistently with usages

regarded as warranted in the economic sector concerned as a means of maintaining or creating market share.

17. I am satisfied that it was not open to the Hearing Officer to come to the conclusion he did on the basis of the evidence before him. His decision must therefore be varied so as to provide for the registration of trade mark number 2401897 to be revoked in its entirety with effect from 11 March 2011. It is unnecessary for that reason to say very much about FURL's attack upon the procedural decision to allow FV a 4-day extension of time within which to file its evidence in chief. That was a case management decision made in the exercise of a discretion which exists for the purpose of enabling just and fair extensions of time to be granted. There was no good reason why that extension of time should not have been granted in the circumstances in which it was requested (essentially to enable FV to regularise its position on filing evidence which it already had to hand).

18. For the reasons I have given, the Appeal is allowed. The Hearing Officer's decision will be varied so as to provide for the registration of trade mark number 2401897 to be revoked in its entirety with effect from 11 March 2011. His decision will also be varied so as to increase the contribution payable by FV to FURL in respect of its costs of the Registry proceedings from £1,000 to £1,500. I am not willing to allow any higher figure than that because it appears to me that FURL needlessly digressed in the preparation and presentation of its case into immaterial matters with respect to which it should recover no contribution as to costs from FV. The same is true of the preparation and presentation of its case on appeal. I think it will again be appropriate to limit FV's contribution to FURL's costs of the Appeal to a figure of £1,500. In the result, the

contribution to costs will be £3,000 in total in respect of the proceedings at first instance and on appeal. That sum is to be paid within 21 days of the date of this decision.

Geoffrey Hobbs QC

17 March 2014

Jim Davies of Elevation Legal appeared on behalf of the Appellant.

Benet Brandreth instructed by Keltie LLP appeared on behalf of the Respondent.

The Registrar was not represented.