

**O-082-18**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF  
TRADE MARK REGISTRATION NO. 1422495  
IN THE NAME OF HSBC BANK PLC  
FOR THE TRADEMARK**

**HAMILTON**

**AND THE APPLICATION FOR CANCELLATION THEREOF  
UNDER NO. CA00501275  
BY HAMILTON INSURANCE GROUP, LTD.**

## **BACKGROUND & PLEADINGS**

1. HSBC Bank plc ('HSBC') is the Registered Proprietor for UK Trade Mark Registration no. 1422495 for the mark **HAMILTON** for services in class 36, namely *Insurance, brokerage; investment and pension services; mortgage and financial management services; all included in Class 36*. Its registration date is 17 July 1992.
2. Hamilton Insurance Group Ltd ('Hamilton') seeks revocation of the registered mark, in full, on the grounds of non-use based on Sections 46(1)(a) and (b) of the Trade Marks Act 1994 ('the Act').
3. The section 46(1)(a) claim is based on the five-year period following registration: i.e. 18 July 1992 to 17 July 1997, with an effective revocation date of 18 July 1997.
4. Under section 46(1)(b), the claim is based on the five-year period prior to the date Hamilton contacted HSBC with regard to revocation, i.e. 28 April 2011 to 27 April 2016, with an effective revocation date of 28 April 2016 and for the five year period from a date prior to the date of application for revocation, i.e. 28 July 2011 to 27 July 2016, with an effective revocation date of 28 July 2016.
5. HSBC filed a counterstatement stating that they have used the trade mark registration in the UK in relation to the services set out above during the relevant time periods. They subsequently filed evidence to support that claim. Hamilton did not file any evidence but did file submissions.
6. HSBC are represented by Baker & McKenzie LLP in these proceedings and Hamilton by Bristows LLP. Neither party requested to be heard, so the following decision is taken after consideration of all the papers before me. HSBC's evidence will be summarised as necessary and Hamilton's submissions will be borne in mind.

## **HSBC'S EVIDENCE**

7. HSBC's evidence takes the form of a witness statement made by Donald Wood, a Senior Product Manager at HSBC Bank plc. Mr Wood appended three exhibits.

8. In his witness statement, Mr Wood gives the following information regarding the previous usage of the registered trade mark:

“HFC Bank Limited, which is also part of the HSBC group of companies and was trading under the name HFC Bank (amongst other brands), offered various products and services including personal loans. HFC Bank Limited no longer offers products or services, and its remaining business was transferred from HFC Bank Limited to the Registrant in 2013. The ‘HAMILTON’ trade mark was used during the relevant period as a trading name for HFC Bank Limited. Customers of HFC Bank holding certain loan products knew it as ‘HAMILTON’ or ‘HAMILTON DIRECT BANK’.

9. Mr Wood gave no information in the witness statement as to sales, turnover or advertising expenditure generated from services provided under the registered trade mark.

10. Exhibit 1 consists of a copy letter and a Frequently Asked Questions sheet dated 20 May 2013 which Mr Wood states was sent to customers of HFC Bank Limited trading as Hamilton Direct Bank informing them that all business and accounts were being transferred to HSBC. The letter specifically mentions loan repayments but does not mention any of the other services for which the trade mark is registered. However the letter is not presented on any type of corporate letter headed paper and uses a mocked up name and address. Furthermore there is no supporting information as to how many of these letters were sent to account holders or the extent of the customer/account holder database. The word HAMILTON appears twice in the letter, in the combination ‘Hamilton Direct Bank’.

11. Exhibit 2 appears to be another copy of the same letter presented in Exhibit 1.

12. Exhibit 3 is said to be a screenshot of HFC Bank’s complaints publication report from 2010 to 2013. There is a copyright symbol and the date 2013 at the bottom of the screenshot. The report is said to contain a record of customer complaints relating to all of HFC Bank’s brands including Hamilton Direct Bank. The table is broken down into different areas of complaint such as banking and general insurance but it

is not clear what services were offered under the different brands or the level of sales generated under the mark. The word HAMILTON appears once in the screenshot, in the combination 'Hamilton Direct Bank'.

## **LEGISLATION**

13. Section 46(1) of the Act states that:

“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)...

(d)...

(2) For the purpose 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 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.”

14. Section 100 is also relevant, which reads:

“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.”

15. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve

an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

16. In *Awareness Limited v Plymouth City Council*, Case BL O/236/13, Mr Daniel Alexander Q.C. as the Appointed Person stated that:

“22. The burden lies on the registered proprietor to prove use..... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a

tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

17. I also note Mr Alexander’s comments in *Guccio Gucci SpA v Gerry Weber International AG* (O/424/14). He stated:

“The Registrar says that it is important that a party puts its best case up front – with the emphasis both on “best case” (properly backed up with credible exhibits, invoices, advertisements and so on) and “up front” (that is to say in the first round of evidence). Again, he is right. If a party does not do so, it runs a serious risk of having a potentially valuable trade mark right revoked, even where that mark may well have been widely used, simply as a result of a procedural error. [...] The rule is not just “use it or lose it” but (the less catchy, if more reliable) “use it – and file the best evidence first time round- or lose it”” [original emphasis].

## **DECISION**

18. It is clear from the guidance given above that I must take into account a number of factors when assessing whether genuine use of the mark has been shown from the evidence provided.

19. Hamilton have criticised the evidence as follows:



“If such genuine use of the Trade Mark had been made in relation to financial services it would not be unrealistic to expect there to be evidence to support the same; a plethora of materials in relation to loan products, for example, should be available by way of evidence, such as brochures, application forms, redacted customer statements, annual reports of the business and numerous loan offer correspondences, to name a few”.

20. I agree with Hamilton’s points outlined above. I would have expected that as Mr Wood is a senior product manager at HSBC, he ought to have been well-placed to provide more detailed and persuasive evidence. At the very least I would have expected to see promotional and advertising material which should have been readily available if the services were being actively offered to new or existing customers.

21. In addition there are a number of information deficiencies within the evidence provided, namely a lack of turnover figures resulting from sales or customer take-up of the services, a lack of advertising expenditure figures from promoting the services, no details as to the geographical spread of customers purchasing these services and no indication of market share held in the UK in relation to the services by the Registered Proprietor under the registered trade mark. In my view HSBC have failed to discharge the burden placed on them to provide evidence of genuine use.

## **OUTCOME**

22. The application for revocation on the grounds of non-use succeeds under both sections 46(1)(a) and 46(1)(b). Consequently trade mark no. 1422495 is revoked under section 46(6)(b), the effective date of revocation being 18 July 1997.

## **COSTS**

23. As the applicant has been successful, it is entitled to an award of costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 2/2016. Bearing in mind the guidance given in TPN 2/2016, I award costs on the following basis:

£200 Application fee

£200 Preparing a statement and considering the counterstatement

£500 Considering evidence and preparing submissions

**£900 Total**

24. I order HSBC Bank plc to pay Hamilton Insurance Group Limited the sum of £900. This sum is to be paid within 14 days of the expiry of the appeal period or within 14 days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 2<sup>nd</sup> day of February 2018**

**June Ralph**

**For the Registrar**

**The Comptroller-General**