

O-362-07

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 82421

BY BOTANIC INNS LIMITED FOR REVOCATION OF

REGISTRATION NO 2162118 STANDING IN THE

NAME OF HARPERS LEISURE INTERNATIONAL LTD

TRADE MARKS ACT 1994

IN THE MATTER OF Application No 82421

By Botanic Inns Limited

For revocation of registration 2162118

Standing in the name of Harpers Leisure International Ltd

BACKGROUND

1. Trade mark registration 2162118 stands in the name of Harpers Leisure International Ltd and is registered in respect of:

Class 35 - Business management services; advisory services concerning the establishment of restaurant, bar, cocktail bar, and nightclub premises; franchise services.

Class 42 - Restaurant services; catering services; bar and cocktail bar services; catering services for the provision of food and drink; provision of facilities for the consumption of alcoholic and non-alcoholic beverages.

2. The trade mark registration is a series of two marks, the marks are detailed below:

THE DRINK

The Drink

3. On 15 February 2006 Botanic Inns Limited applied for revocation of the above registration under Section 46(1) (a) & (b) of the Trade Marks Act 1994 (“the Act”). Revocation is sought in relation to all of the services covered by the registration

4. The registered proprietor filed a counterstatement denying the claim that the trade marks had not been used. The counterstatement was accompanied by evidence from the registered proprietor. No other evidence was filed by the registered proprietor. The applicant for revocation filed no evidence.

5. Neither party requested a hearing. Ms Janice Trebble of Saunders & Dolleymore filed written submissions on behalf of the applicant for revocation. Acting on behalf of the Registrar, and after a careful study of the papers, I give this decision.

Registered proprietor’s evidence

6. This comes from Ms Samantha Hampton of Harpers Leisure International Ltd. Ms Hampton does not explain the role she plays in the applicant company, nor does she explain where the information given in her evidence comes from. She states that the trade marks have been used over the last five years. The five year period she refers to is not expressly identified, but, her evidence is given on 30 May 2006 so I take this to mean the

five year period prior to this date. She states that the use has been in relation to an entertainment venue in Guildford. It is stated that the venue has provided catering, bar, cocktail bar, and nightclub services to the public.

7. Approximate annual turnover figures are then provided, namely:

<u>YEAR</u>	<u>£</u>
2001	£1,563,878
2002	£1,720,653
2003	£1,970,352
2004	£1,764,673
2005	£1,796,617

8. The amount spent on advertising and promoting the venue on an annual basis is stated as being £25,000.

9. Ms Hampton then refers to Exhibit HL1 which is a sample invoice relating to the procurement of 10,000 promotional flyers entitled “Drink Double Up”. The invoice is dated 31 January 2006. The invoice is addressed to:

“Samantha Tilley
GU1 Communications
Drink, Bar Mambo
Onslow Street
Guildford
Surrey GU1 4SQ”

10. Exhibit HL2 is then referred to. This consists of a print-out from the *Surrey Advertiser Online*. It is headed with the name “The Drink” together with the venue’s address (the same one as given on the invoice at HL1) and telephone number. Under this are three columns showing what I take to be three different venues (The Drink, Voodoo Lounge and Bar Mambo) located at the same address. Each column contains a general description of the respective venues together with information on what each offers on different nights of the week. “The Drink” venue appears to be aimed at “clubbers” and offers music type nightclub services and accompanying alcoholic beverages. The print-out was obtained on 24 May 2006 which, it should be noted, is outside the two periods of alleged non-use and, indeed, is after the date of application for revocation.

11. Finally, Ms Hampton refers to Exhibit HL3 which consists of a copy of a promotional flyer. The flyer refers to an offer for the doubling of spirits and bottles for the price of £1. The flyer is promoting “The Drink” venue together with the “Voodoo Lounge” and “Bar Mambo” venues. The exhibit is not dated. It could be a copy of the flyer procured as part of the invoice in HL1 (as this refers to a “double up” promotion) but this is not clear from the evidence.

The Law

12. Section 46 reads as follows:

“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 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 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.”

13. Section 100 of the Act is also relevant as this 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.”

Relevant Five Year Period

14. The application for revocation is based on Section 46(1)(a) and Section 46(1)(b) of the Act. The (amended) claims and the relevant five year periods are detailed below:

Sections 46(1)(a) – The registration procedures were completed on 1 October 1999, the five year period therefore begins on 2 October 1999 and ends on 1 October 2004. Revocation is sought with effect from 2 October 2004.

Section 46(1)(b) – The claim relates to the five year period beginning on 15 February 2001 and ending on 14 February 2006. Revocation is sought with effect from 15 February 2006.

The applicant’s written submissions

15. The thrust of the submissions is by way of a critique of the registered proprietor’s evidence. The submissions firstly observe that the position of Ms Hampton within the registered proprietor’s company is not given, nor is the basis for the information she discloses.

16. It is submitted that Exhibit HL1 should be disregarded as it is dated 31 January 2006 which is within the period of three months immediately before the application; I am

asked to disregard it in view of the provisions of Section 46(3) of the Act. The exhibit is also criticised as it makes no specific mention of “The Drink” venue.

17. It is submitted that Exhibit HL2 should be disregarded as it is after the date of application for revocation and cannot be taken as use within either of the relevant periods. Exhibit HL3 is criticised as it is undated and therefore does not establish that the trade marks were used in either of the relevant periods. The agent states that only one exhibit (HL2) features the “The Drink” venue with a description of what it provides. It is also submitted that the services detailed in this description do not cover the services as registered because the exhibit focuses on nightclub services (which are not covered by the registration). In view of all this, the agent questions what can be inferred from the turnover and promotional figures given by Ms Harper as they are not broken down and apportioned to the services claimed.

18. Submissions are then made in relation to Section 100 of the Act and the requirement on the registered proprietor to show what use has been made of the marks. Relying on comments made in *CHEQUE BLEU* it is submitted that the requirement to show use must be more than mere assertion. To further this submission the agent refers to the decision of the Court of First Instance (*Kabushiki Kaisha Fernandes v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) Case T-39/01 (2003) ETMR 98*) where it was stated:

“47 In that regard it must be held that genuine use of a trade mark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned”.

19. Reference is also made to Jacob J in *Laboratoire De La Mer* (2002) FSR 51 where he stated:

“9. In the present cases, use was not proved well. Those concerned with proof of use should read their proposed evidence with a critical eye - to ensure that use is actually proved - and for the goods or services of the mark in question. All the t's should be crossed and all the I's dotted”

20. Taking all the evidence in the round the agent's final submission is that the evidence is insufficient to make any suppositions regarding the use made of the marks and the opportunity to cross the Ts and dot the Is was not taken by the registered proprietor. Mere assertion from an individual whose credentials cannot be established cannot be given any weight in the absence of primary objective evidence.

DECISION

21. It is fair to say that the applicant's submissions focus not on whether the registered proprietor has made genuine use of the trade marks but rather on whether the evidence filed in support of the registration is sufficient to meet the Section 100 burden of showing

what use they have made. However, it is still necessary to consider the requirements of genuine use and the tests applicable.

22. The two leading authorities on the principles to be applied in determining whether there has been genuine use of a trade mark are: *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 and *Laboratoire de la Mer Trade Mark* [2006] F.S.R. 5. I do not intend to summarise these cases in full, but taking them in the round it is clear that the test for genuine use is a qualitative one and not a quantitative one. Genuine use should be found when the trade mark has been used in such a way so as to create or maintain a share in the market for the goods and services for which it is registered. In relation to this market share, this should not be construed as imposing a requirement that a significant market share has been achieved (*Laboratoire de la Mer*, paragraph 44). Genuine use should not be found if use is mere “token” use or if it is merely internal to the registered proprietor’s business (*Ansul*, paragraph 36 & 37 respectively).

23. The applicant suggests that the assertions made in the evidence of Ms Hampton be given no weight. One of the authorities referred to by the applicant on this point, *Kabushiki Kaisha Fernandes v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM), appears to be of little assistance given that it relates to revocation proceedings before OHIM where the position, given the provisions of Commission Regulation 2868/95 of 13 December 1995, is different. It is different because the effect of these regulations is that at OHIM documentary records represent the primary form of evidence for proof of use. There is nothing in the relevant law of the United Kingdom that places documentary evidence as the primary form of evidence required. Mr Arnold QC (sitting as the Appointed Person) states in the *Extreme* case (BL 0-161-07):

“In these circumstances it is understandable that the jurisprudence of the Court of First Instance and of the Boards of Appeal indicates that witness statements from representatives of the proprietor unsupported by documentary records or external evidence should be given little weight.”

24. Of greater relevance to the applicant’s point is the decision of Kitchen J in *MOO JUICE* [2005] EWCH 2584 (Ch), [2006] RPC 18. Kitchen J stated:

“To my mind the requirement laid down by r. 31(3) is not therefore satisfied by a proprietor who simply asserts, through a relevant witness, that the trade mark has been used. Such a bare assertion would provide no evidence as to the actual use made by the proprietor.”

25. Although the *MOO JUICE* case was dealing with an issue under Rule 31(3) (which deals with the viability of the registered proprietor’s defence) the same principle must apply in deciding whether the proprietor has made genuine use his trade mark. However, this must be balanced against the words of Mr Arnold QC when, in *Extreme*, and when commenting on the *Moo Juice* case he stated:

“Kitchen J’s statement that “bare assertion” would not suffice must be read in its context, which was that it had been submitted to him that it was sufficient for a proprietor to give evidence stating “I have made genuine use of the trade mark”. A statement by a witness with knowledge of the facts setting out in narrative form when, where, in what manner and in relation to what goods or services the trade mark has been used would not in my view constitute bare assertion.”

26. My view is that Ms Hampton’s evidence falls somewhere between the two extremes given in the *Moo Juice* and *Extreme* cases. The declarant has stated on what services the marks have been used, she has stated that the sign is used in relation to the name of an entertainment venue, she has stated what is spent on promoting the venue. She has detailed what she describes as the approximate income of the venue but, in reality, the figures are very specific and appear more than a simple approximation. Ms Hampton has also referred to exhibits which she believes to show the type of use the trade marks have been put. This to me is more than bare assertion. However, the evidence is perhaps not so detailed in nature as the narrative form of evidence described by Mr Arnold QC in *Extreme*. The statements given by Ms Hampton are short and to the point and add little by way of detail. Nevertheless, despite the applicant’s request to do so, I will not discount the evidence of Ms Hampton and it will be given some weight.

27. Before moving from this point, it is worth pointing out that the applicant has not sought to challenge Ms Hampton’s evidence via cross examination. If the facts stated by Ms Hampton, or indeed her credentials to give such evidence (another of the applicant’s concerns), were to be disbelieved, a formal challenge should have been mounted. In terms of Ms Hampton’s credibility, I have noted that in Exhibit HL1 she appears to be the person who has signed the invoice on behalf of the registered proprietor. This at least suggests to me that she has some form of authority in the running of the business. All of this does not mean that I will accept everything Ms Hampton has stated; I must still critically assess the matter and satisfy myself that genuine use has been made.

28. The exhibits to Ms Hampton’s witness statements have also been criticised by the applicant. Exhibit HL1 is criticised as it is of a date within the 3 month period immediately preceding the filing of the application for revocation, and, thus, the provisions of Section 46(3) apply. The exhibit is also criticised as the invoice exhibited does not feature the trade mark.

29. In relation to the first criticism, the Court of Appeal dealt with the interpretation of the provisions of Section 46(3) in *Philosophy Inc v Ferretti Studio SRL* [2003] R.P.C. 15. It is clear from this that the provisions of Section 46(3) are aimed at circumstances where there is a time period between the end of the periods of claimed non-use and the filing of the application for revocation and (if there was no use in the actual periods) that in this time period the registered proprietor commences use or resumes use. It is also clear that the relevance of the provisions cannot commence any earlier than the expiry of the relevant period. The latest of the applicant’s claimed periods of non-use expired on 14 February 2006. The exhibit is dated 31 January 2006. It will therefore be taken into account.

30. HL1 is also criticised as the trade marks are not shown. The invoice relates to the procurement of promotional flyers. There is a reference to the flyer being titled “DRINK DOUBLE UP” – I cannot infer that this is a reference to “The Drink” venue as it is more likely to be a reference simply to a drinks promotion being offered. However, the person invoiced has the word “drink” as part of the name and address, namely: Samantha Tilley, GU1 Communications, Drink, Bar Mambo, Onslow Street, Guildford”. This strikes me, despite the omission of the definite article, as a reference to the venue and therefore the invoice at least supports the proposition that the venue exists; I can see no other plausible reason why the word would otherwise appear.

31. Exhibits HL2 and HL3 both show the words “The Drink” in use. The first is an advertisement on *Surrey Advertiser Online* and details what the venue offers. The second is a promotional flyer which, as well as showing the name of the venue, also has information of a particular promotion being offered. However, as the applicant points out, HL2 is from after the relevant periods (and the date of application) and HL3 is undated and cannot therefore be placed within either relevant period. Whilst I appreciate that in order to save the registration use must have taken place within the relevant periods, this does not equate to the evidence being disregarded altogether. Evidence from outside the relevant periods, even from after the application, can sometimes assist the tribunal in making inferences on the genuineness of what has taken place within the relevant periods (see *Laboratoire de la Mer Trade Mark* in the High Court [2002] F.S.R. 51 at paragraph 35. The exhibits will be taken into account in the totality of the evidence and I will draw what inferences I can reasonably draw from them.

32. The question is whether the marks have been put to genuine use within the relevant periods. The evidence filed states that the trade mark has been used in relation to the name of an entertainment venue and turnover figures and promotional figures have been supplied to support this proposition. I note that in each of the five years attested to the turnover has been at a relatively stable and not insignificant quantum (between £1.5 million and £1.9 million per annum). These figures cover both the relevant periods. If this use is to be accepted, it does not, on the face of it, strike me as mere token use or use internal to the registered proprietor.

33. The invoice for flyers at HL1, although lacking in some respects, at least shows that the registered proprietor was intent on promoting the venue and unless I was prepared to disbelieve her evidence in some way the trade marks are likely to have been used upon them. The stableness of the turnover, together with its relative significance, also leads me to believe that the advertising and promotional material later annexed at HL2 & HL3 is unlikely to have been a new initiative. HL3 is a promotional flyer and sheds some light on the type of flyers that the registered proprietor produces and therefore supports the proposition that the flyers invoiced at HL1 are likely to have carried the trade mark in question. Although the declarant does not expressly say so, it seems to me that the exhibits have been filed in a simple attempt to inform the tribunal as to the manner of promotion the registered proprietor utilises.

34. There is little doubt that the registered proprietor's evidence could have been better. I am conscious of Jacob J's comments in relation to crossing the Ts and dotting the Is, but I nevertheless consider that the evidence taken as a totality is sufficient to persuade me that genuine use of the trade marks as the name of a nightclub facility is likely to have taken place within both relevant periods.

35. This is not the end of it. Having come to the conclusion that there is genuine use, I must assess what would be a fair specification for the use shown. In determining how to approach this issue there is helpful guidance in *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 where Aldous LJ stated:

“Pumfrey J. in *Deacon* suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view the task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use.”

36. The applicant has pointed out in their submissions that the type of services specified in HL2 relate essentially to a nightclub and that nightclub services are not covered by the registration. I agree that there is a clear gap in the evidence at least in relation to the business type services covered by the specification in Class 35. The registered proprietor's evidence refers to the operation of an entertainment venue under the name “The Drink”, but it does not refer to any form of business service. Running the venue itself does not equate to a business service being offered under the sign.

37. The applicant's argument between the provision of nightclub services and the Class 42 specification is a more finely balanced point. The registered proprietor has stated that the venue has provided catering, bar, cocktail bar and nightclub services. The exhibits demonstrate that, at the least, nightclub services are provided together with the offer of alcoholic beverages. The provision of beverages at a nightclub, from my own experience, is customary. All of the exhibits mention drinking in some capacity. Although some of these documentary forms of use are from after the filing of the application, I consider it reasonable to infer that the provision of beverages would have taken place within the relevant periods. However, in relation to the term “cocktail bar services” contained in the specification the matter is slightly different. Cocktail bars are a specific beast focusing predominately on the sale of cocktails. Even if a nightclub offered cocktails as part of their business, this would not necessarily mean that the public would perceive it as a cocktail bar.

38. The exhibits do not mention catering or the provision of food. The only evidence is from Ms Hampton's statements, there is no corroborative evidence at all to demonstrate the type of catering provided. Catering and the provision of food are wide ranging designations which would, most typically, involve a service whereby food is provided, on request, for functions and parties etc. The provision of this type of service in a nightclub is not as customary as the provision of beverages, the latter almost going hand in hand. If a service of this nature is provided then this could range from a minute to a significant

part of the operation. There are no inferences I can draw from the exhibits. In view of the foregoing, I can not say that genuine use has been made in relation to any form of catering service or for the provision of food.

Conclusion

39. In view of the above, I find that there has been genuine use of the trade mark within both periods of alleged non-use, but only in relation to:

Class 42 - Bar services; provision of facilities for the consumption of alcoholic and non-alcoholic beverages.

40. The applicant has requested revocation, as is their right, from the earliest date possible. Therefore, the remainder of the specification is hereby revoked under the provisions of Section 46(6)(b) of the Act with effect from 2 October 2004.

COSTS

41. Both sides have won and lost certain aspects of their case. In the circumstances, I do not intend to award costs to either party.

Dated this 13th day of December 2007

**Oliver Morris
For the Registrar
The Comptroller-General**