

IN THE MATTER OF REGISTERED TRADE MARK NO. 1580900 IN THE
NAME OF DOUGLAS & GRAHAME LIMITED

AND IN THE MATTER OF APPLICATION FOR REVOCATION THEREOF NO.
82061 BY REMYS LIMITED

DECISION

Introduction

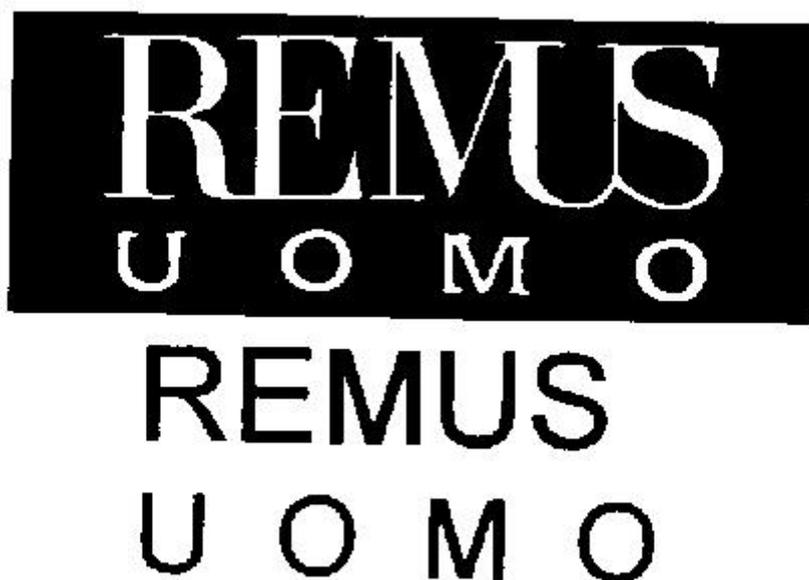
1. On 1 December 1995 the following trade mark (“the registered trade mark”) was registered as No. 1580900 on the application of Douglas & Grahame Ltd (“the proprietor”) filed on 5 August 1994 in respect of “articles of outer clothing for men, youths and boys; all included in Class 25; but not including footwear”:

REMUS

2. The registered trade mark was registered pursuant to section 12(2) of the Trade Marks Act 1938 on the ground of honest concurrent use with an earlier registration. It is common ground between the parties that the evidence filed by the proprietor in support of its claim to honest concurrent use, which is in evidence in these proceedings, showed use of the registered trade mark in

conjunction with the word UOMO and did not show use of the registered trade mark without that word.

3. The proprietor is also the proprietor of registration No. 2047268 registered as of 2 December 1995 in respect of the same specification of goods for the series of two marks shown below (“the REMUS UOMO mark”):



4. On 25 February 2005 Remys Ltd (“the applicant”) applied to revoke the registered trade mark for non-use during the five year period commencing on 25 February 2000 pursuant to section 46(1)(b) of the Trade Marks Act 1994. The applicant’s motive for filing the application was that the proprietor had opposed two applications by the applicant to register the mark REMYS in word and stylised word form in class 25 on grounds raised under sections 5(2)(b) and 5(3) of the 1994 Act relying *inter alia* upon the registered trade mark. That opposition was subsequently successful (O/072/06).
5. After the proprietor had filed evidence under rule 31(3) of the Trade Marks Rules 2000 as amended, no further evidence was filed by either party. Nor did either party request a hearing, although the applicant filed written submissions. Mike Reynolds acting for the Registrar held in a written decision dated 8 June

2007 (O/162/07) that the registered trade mark should be revoked with effect from 25 February 2005. The proprietor now appeals.

Relevant provisions of the Trade Marks Act 1994

6. Section 46 of the 1994 Act provides in relevant part 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 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;...

(2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered...

7. These provisions implement Articles 10(1) and 10(2)(a) of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks. They correspond to Articles 15(1), 15(2)(a) and 50(1)(a) of Council Regulation 40/94/EC of 20 December 1993 on the Community trade mark (“the CTM Regulation”).

The proprietor’s evidence

8. The evidence filed by the proprietor consisted of a witness statement of Robert Bruce Spence Robertson of the proprietor’s trade mark attorneys. Mr Robertson exhibited as exhibit RB4 a witness statement of David Hooks, the financial director and company secretary of the proprietor, made for the purpose of the opposition proceedings. Mr Hooks’ statement constitutes the principal evidence of use during the relevant period adduced by the proprietor. In addition Mr Robertson gave evidence as to the proprietor’s turnover, advertising and promotional expenditure and geographical coverage, but did

not expressly identify the source of his information. As I commented in *Pan World Brands Ltd v Tripp Ltd* [2008] RPC 2 at [9], it is preferable for evidence of use to be given by a witness with first hand knowledge and, if hearsay evidence is given, the source of the information should be specified. Once again, however, nothing turns on this since the evidence is not objected to and in any event adds little of significance to Mr Hooks' evidence.

9. The substance of Mr Hooks' evidence was as follows:

3. The Trade Mark REMUS was adopted in January 1992 with REMUS UOMO adopted in December 1995 for use with 'articles of clothing for men, youths and boys' and has been used since that date on such goods both in the United Kingdom and for export to other countries in the European Community, in other European non-Community countries, to countries in Africa and in Asia to Canada, USA and Russia.

4. The total turnover, at wholesale prices, for each of the last five calendar years is approximately as follows:-

1999	£8,521,500
2000	£9,176,950
2001	£9,076,200
2002	£9,699,990
2003	£9,854,600

5. The amount spent on making known the trade mark REMUS, REMUS UOMO, REMUS UOMO O2 and O2 REMUS UOMO (the trade marks) has amounted to £842,370 over the same five year period.

6. I attach hereto marked Exhibit DH1 a selection of labels showing the way the mark has been used over that period.

7. The opponents have considerable goodwill in the trade marks above through their use itemised at paras 4, 5 and 6 above....

8. In the offices and warehouses of the opponent's, the goods under the trade marks are simply referred to as REMUS which forms the major and distinctive part of our trade mark. This is also the situation in the trade, members of which buy our goods.

The applicant's submissions

10. After the proprietor had filed Mr Robertson's statement, the applicant's trade mark attorneys wrote to the Registrar on 6 February 2006 contending that:

The evidence of use as shown in the exhibits attached to the Witness Statement all show the mark as REMUS UOMO and not the mark as registered. It is clear that the mark as used corresponds to the registration number 2047268 and not to the registration under attack, namely registration number 1580900.

This contention was in substance repeated in a letter from the applicant's trade mark attorneys to the Registrar dated 2 March 2006. It was developed in the applicant's written submissions dated 6 November 2006. In those submissions the applicant also contended that use of the REMUS UOMO mark did not constitute use of the registered trade mark "in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered" within section 46(2).

The hearing officer's decision

11. The hearing officer's first conclusion was expressed by him as follows (emphasis added).

16. The substance of the proprietor's defence is, therefore, built around the statements in Mr Hooks' witness statement (filed in opposition number 91896) quoted above along with the supporting exhibit consisting of labels. In most cases there is no obvious way of dating the labels or establishing the precise goods on which they or similar such labels would have been used. I note that some of the labels contain Italian text ('i Pantalone di Remus Uomo' and 'designo originale'). Others contain English language text with, in one case, an indication that it is 'clothing for men'. There is a blank space on the same label under 'Available at'. The labels are generally, therefore, inconclusive as to the nature of goods offered, the sales area and the date of use. No brochures, catalogues, advertisements, point of sale material, invoices or other such indicators of trade have been supplied to fill in the gaps left by the label evidence. Without such substantiating detail it seems to me that the otherwise significant turnover figures cannot be conclusive.

17. Turning to Mr Hooks' covering witness statement, it is clear that the sales and promotional expenditure figures refer to more than one mark, that is to say REMUS, REMUS UOMO, REMUS UOMO O2 and O2 REMUS UOMO. There is no breakdown of the figures as between these marks. So far as I can see the labels do not show use of REMUS on its own.
 18. The position is, therefore, that the claim that the mark REMUS has been used in the relevant period rests on the bare claim in Mr Hooks' evidence and cannot be corroborated by any of the exhibited labels. Whilst I accept that one cannot be prescriptive about the nature of evidence to be filed in defence of a registration against a non-use attack, I cannot believe that a tribunal should be expected to make a finding favourable to a proprietor on the basis of a bare claim such as is contained in Mr Hooks' evidence and I am unwilling to do so.
 19. *The above finding is in itself sufficient to determine the outcome of the action....*
12. Notwithstanding the statement I have emphasised, the hearing officer proceeded to consider the applicant's submissions which I have summarised in paragraph 10 above. So far as the applicant's contention that the proprietor's evidence only showed use of the REMUS UOMO mark is concerned, the hearing officer held as follows:
19. ... Most of the labels show the mark REMUS UOMO. UOMO is usually presented in somewhat smaller size lettering beneath the word REMUS in its conjoined lettering form. I have little doubt that REMUS would be seen by consumers as the visually dominant element but it certainly does not reduce the word UOMO to insignificance in the mark.
 20. I find on the basis of the labels in RB4 that the sign principally in evidence is the composite mark REMUS UOMO.
13. So far as section 46(2) is concerned, the hearing officer directed himself primarily in accordance with the judgment of Lord Walker of Gestingthorpe in *BUD and BUDWEISER BUDBRAÜ Trade Marks* [2002] EWCA Civ 1534, [2003] RPC 25 at [43]-[45]. At [43] Lord Walker said:

The first part of the necessary inquiry is, what are the points of difference between the mark as used and the mark as registered? Once those differences have been identified, the second part of the inquiry is, do they alter the distinctive character of the mark as registered?

14. The hearing officer held as follows:
22. The answer to the first of the questions posed by Lord Walker in the above passage is clear. The mark as used incorporates an element, that it to say the word UOMO, that is not present in the mark in the form in which it is registered. The more difficult issue is whether that alters the distinctive character of the mark as registered.
 23. The proprietor's position is that REMUS is the predominant part of the composite mark and that UOMO, being the Italian word for man, is descriptive in respect of the goods ie male clothing. Hence it is said use of REMUS UOMO is use of REMUS....
 25. The first issue I need to decide is the significance that the average consumer would attach to the word UOMO. The goods covered by the registration are articles of outer clothing for men, youths and boys. The category of consumers is thus clearly identified. It is not, I think, disputed that the word UOMO is the Italian word for man.
 26. The position of foreign language words has been the subject of consideration and guidance in a number of cases. A very full review of the relevant authorities can be found in *Di Gio Srl's Trade Mark Application* [2006] RPC 17....
 27. These observations do not appear to rule out the possibility that a foreign language word may be held to have descriptive significance in this country....
 28. How then does the word UOMO fall to be treated? There is no relevant evidence on the point from the consumer perspective. I note that Mr Hooks claims that, in the proprietor's offices and warehouses the goods are simply referred to as REMUS. But that may just be a convenient short form for internal use. It does not tell me what the average consumer would make of the word....
 29. The word UOMO does not bear any significant visual similarity to any equivalent English word and yields no obvious meaning. I suppose that a few might suspect that the word is derived from the Latin homo not least because that is still a recognized combining form. However, I regard any such connection as being uncertain and, in reality, even if the word is used in relation to men's clothing, consumers are unlikely to go through the thought processes necessary to yield such a result.
 30. A different view of the matter might have been possible if, for instance, there was evidence that, given Italy's reputation in the clothing field, UK consumers were familiar with the use of Italian descriptive indications such as UOMO. In the absence of any such contrary indication, and not without hesitation (bearing in mind that Italian is a major European language), I take the view that UOMO is more likely to be regarded as an element of unknown meaning or

relevance and hence capable of attracting consumers' attention as a distinctive part of the mark REMUS UOMO albeit that it is in most of the sample labels visually subordinate to, and less prominent than, REMUS.

...

38. ... The question to be addressed is not whether the word in question is a distinctive and/or dominant element within the composite mark but whether use of (in this case) REMUS UOMO can be said to be in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered. If the additional element is in some measure distinctive in its own right then the distinctive character of the totality is likely to differ from the distinctive character of the component elements.
39. For the reason I have already given I do not think that UOMO can be discounted as a descriptive reference, at least not for the average consumer in the UK. Consumer perception is important in all this....
40. I have not found this an easy matter to decide but making the best I can of it I consider the labelling in RB4 shows that the proprietor has consistently presented REMUS UOMO as a composite mark and that consumers would see it as a unified whole notwithstanding that REMUS is visually the more dominant element. On that basis I find that use of REMUS UOMO is not use of an acceptable variant that would enable the proprietor to sustain its registration even if I was held to be wrong in finding that use had not been properly substantiated on the evidence.

Standard of review

15. This appeal is a review of the hearing officer's decision. The proprietor's advocate accepted 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

16. The proprietor appeals on three grounds. First, it challenges the hearing officer's conclusion as to the sufficiency of its evidence of use. Secondly, it contends that, at least in some instances, Mr Hook's exhibit shows use of the registered trade mark as opposed to REMUS UOMO on the basis that the word UOMO would go unnoticed by the average consumer. Thirdly, it contends that Mr Hooks' exhibit shows use of the mark in a form differing in elements which do not alter the distinctive character of the registered trade mark within section 46(2).

Sufficiency of evidence of use

17. The proprietor's first ground of appeal is directed to paragraphs 16-18 and the opening words of paragraph 19 of the hearing officer's decision, which I have quoted in paragraph 11 above. The proprietor interprets these paragraphs as constituting a finding that it had not filed sufficient evidence to establish that it had made genuine use of any relevant trade mark during the relevant period. The proprietor contends that this finding was not open to the hearing officer both because it was not the applicant's case that there had been no genuine use at all and because Mr Hooks' evidence was unchallenged.
18. Two days before the hearing before me the applicant filed written submissions which the proprietor interpreted as seeking to uphold the hearing officer's finding. This prompted the proprietor late on the day before the hearing to apply to adduce further evidence consisting of a second witness statement of Mr Robertson which exhibited two catalogues issued by the proprietor for the Spring/Summer 2000 and Spring/Summer 2002 seasons.
19. At the hearing the Registrar's representative argued that paragraph 18 of the hearing officer's decision was badly expressed and that the hearing officer had not intended to find that there was insufficient evidence of use of any relevant mark, but rather that there was insufficient evidence of use of the registered trade mark on its own as opposed to in conjunction with the word UOMO. I

might well be prepared to accept that submission were it not for the opening words of paragraph 19. These seem to me clearly to indicate that the hearing officer regarded his analysis in paragraph 18 as dispositive of the entire application. That could only be the case if he was intending to hold that there was insufficient evidence of use of any relevant mark. Furthermore, I consider that this reading of the hearing officer's decision is confirmed by what he said in the concluding words of paragraph 40 which I have quoted in paragraph 14 above.

20. In my judgment it was not open to the hearing officer so to hold, for the reasons identified by the proprietor. First, as can be seen from paragraph 10 above, it was not the applicant's case that there had been no genuine use of any relevant mark. On the contrary, the applicant accepted that the proprietor's evidence demonstrated use of the REMUS UOMO mark, but argued that this did not constitute use of the registered trade mark. Secondly, the hearing officer fell into the trap identified in *Pan World v Tripp* at [37] of wrongly discounting unchallenged evidence of use which was not obviously incredible.
21. I do not interpret the applicant as having changed its position in its written submissions for the appeal. On the contrary, the applicant submitted *inter alia* as follows:

The key issue for consideration by the Hearing Officer was whether use of the variant REMUS UOMO can be accepted as being use of the Mark REMUS and whether the use of the alternative Mark as proved in the evidence is sufficient to maintain the registration for the mark REMUS under the provisions of Section 46(2) The Respondent therefore submits that the Hearing Officer was correct in finding that the use of the Trade Mark had not been properly substantiated in the evidence...

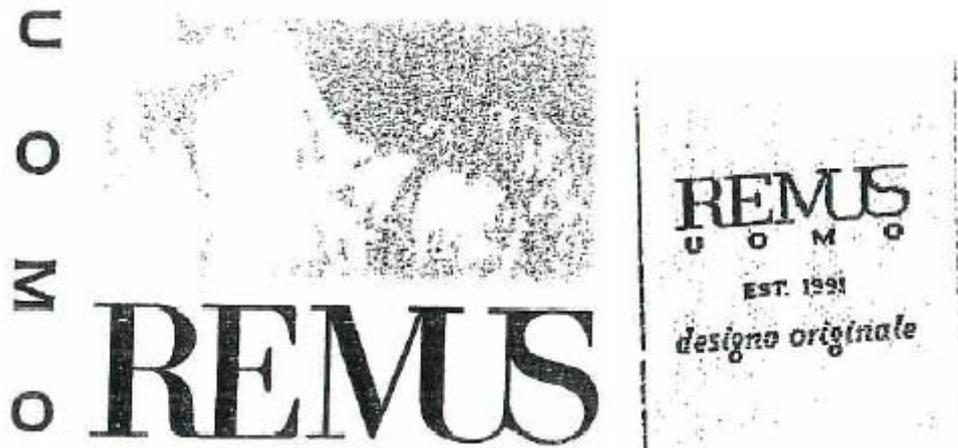
22. It follows that the proprietor's application to adduce further evidence is neither justified by any *volte face* on the part of the applicant nor necessary to enable it to challenge the hearing officer's conclusion on this issue. I would add that the new evidence takes the proprietor no further forward so far as proof of use

of the registered trade mark on its own is concerned. Accordingly I dismiss the application to adduce further evidence.

23. The conclusion that the hearing officer was in error in holding that there was no sufficient evidence of use of any relevant mark does not dispose of the appeal, because the hearing officer rightly went on to consider the applicant's submissions that the sign use of which had been proved was the REMUS UOMO mark and that that did not qualify as use of the registered trade mark.

Assessment of the sign that has been used

24. The proprietor's second ground of appeal is directed at paragraphs 19-20 of the hearing officer's decision which I have quoted in paragraph 12 above. As can be seen, the hearing officer's conclusion was that the sign shown on the labels in Mr Hooks' exhibit was a sign consisting of the elements REMUS and UOMO. For the moment I will leave on one side the hearing officer's description of that sign as a "composite mark".
25. The proprietor contends that in so concluding the hearing officer erred in principle in that he failed to assess the sign which the proprietor had used in accordance with the decision of the European Court of Justice in Case C-291/00 *LTJ Diffusion SA v Sadas Vertbaudt SA* [2003] ECR I-2799 at [52]-[54]. The proprietor argues that, if the hearing officer had considered the labels in exhibit DH1 in accordance with *LTJ Diffusion v Sadas*, he would have concluded that in at least some instances the word UOMO would go unnoticed by the average consumer, and thus the sign perceived by the consumer would be the registered trade mark on its own. In this connection the proprietor relies in particular on the following three types of label included in DH1:



26. In addition, the proprietor argues that the hearing officer wrongly failed to take into account (a) the fact that many of the labels have an ® symbol positioned next to the REMUS sign rather than the word UOMO, (b) Mr Hooks' evidence that the proprietors' goods were referred to as REMUS in the trade and (c) the fact that labels of the same type had been accepted as sufficient to justify registration of the registered trade mark.
27. I am not persuaded by these arguments. While it is true that the hearing officer did not refer to *LTJ Diffusion v Sadas* in his decision, his approach is consistent with it. The ECJ held in that case that a sign is identical to a trade mark where "viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer". It is clear from paragraph 19 of his decision that the hearing officer considered whether the word UOMO was insignificant from the consumer's perspective. In my judgment he was entitled to conclude that it was not, even in the case of the labels reproduced above. In my view the positioning of the ® symbol is ambiguous: it does not indicate clearly whether the registration relates to REMUS or REMUS

UOMO, and in fact both marks are registered. Mr Hooks' evidence is not directed to the perception of the average consumer. Moreover paragraph 8 of his statement has to be viewed in the context that Mr Hooks claimed, but did not substantiate, use of the registered trade mark on its own. As to the last point, the registered trade mark was registered under the 1938 Act not the 1994 Act, and the examiner did not have the benefit of argument from the applicant. Accordingly the hearing officer cannot be faulted for disregarding this.

Use in a form differing in elements which do not alter the distinctive character of the registered trade mark

28. I turn, therefore, to what the applicant's trade mark attorneys rightly identified as the key issue, which is section 46(2). The proprietor contends that in dealing with this issue in paragraphs 22-40 of his decision the hearing officer erred in principle in four respects. First, it says that he failed correctly to apply the first question posed by Lord Walker to the facts of the case. Secondly, it says that he failed correctly to apply the second question because that requires an assessment of the distinctive character of the mark as registered and the hearing officer did not make any such assessment. Thirdly, it says that he failed to consider whether the word UOMO had independent distinctive character. Fourthly, it says he failed correctly to appreciate the significance of the decision of the ECJ in Case C-353/03 *Société des Produits Nestlé SA v Mars UK Ltd* [2005] ECR I-6135.
29. The applicant not only disputes these contentions, but also repeats its submission that the only use that has been shown is use of the REMUS UOMO mark.

The law

30. Before dealing with these points, it is necessary to consider the law with regard to section 46(2). I considered this in some detail in *NIRVANA Trade Mark* (O/262/06) at [9]-[21] and [33]-[34]. At [10]-[14] I discussed the

decisions of the Court of First Instance in four cases: Case T-156/01 *Laboratorios RTB SL v Office for Harmonisation in the Internal Market* [2003] ECR II-2789, Case T-135/04 *GfK AG v Office for Harmonisation in the Internal Market* [2005] ECR II-4865, Case T-147/03 *Devinlec Developpement Innovation Leclerc SA v Office for Harmonisation in the Internal Market* [2006] ECR II-11 and Case T-194/03 *Il Ponte Finanziaria SpA v Office for Harmonisation in the Internal Market* [2006] ECR II-445.

31. Since then I have become aware of a fifth case in which the CFI has considered Article 15(2)(a) of the CTM Regulation, Case T-29/04 *Castellblanch SA v Office for Harmonisation in the Internal Market* [2005] ECR II-5309. In that case an application to register a device mark which included the words CRISTAL CASTELLBLANCH was opposed by Champagne Louis Roederer SA on the basis *inter alia* of a French registration of the word CRISTAL. The Opposition Division and the Board of Appeal held that there had been genuine use of that mark. The applicant appealed against this finding. The CFI held as follows:

31. In the present case the applicant submits that it is evident from the proof of use and of repute produced by the intervener that the latter used the earlier mark in a form different to the one under which it was registered. The earlier mark is used for bottles which have on their main and neck labels, in addition to the word 'cristal', the denomination 'Louis Roederer' several times, as well as a symbol that includes the letters 'l' and 'r' and some complementary figurative elements which appear several times. According to the applicant, the combination of the word 'cristal' with the denomination 'Louis Roederer', the letters 'lr' and the accompanying figurative elements substantially alters the identity of the earlier mark, especially when account is taken of the strong distinctive character of the words 'Louis Roederer', and does not constitute genuine use of the earlier mark CRISTAL. Therefore, the opposition filed by the intervener and, consequently, the contested decision are wholly unfounded.
32. The Court of First Instance points out, first, following the example of OHIM, that the applicant does not contest the place, time or extent of use of the earlier mark but only the nature of that use.
33. In the contested decision the Board of Appeal found that there is no precept in the Community trade mark system that obliges the opponent to prove the use of his earlier mark on its own, independently of any

other mark. According to the Board of Appeal, the case could arise where two or more trade marks are used jointly and autonomously, with or without the name of the manufacturer's company, as is the case particularly in the context of the automobile and wine industries.

34. That approach must be followed. The situation is not that the intervener's mark is used under a form different to the one under which it was registered, but that several signs are used simultaneously without altering the distinctive character of the registered sign. As OHIM rightly pointed out, in the context of the labelling of wine products joint affixing of separate marks or indications on the same product, in particular the name of the winery and the name of the product, is a common commercial practice.
35. In the present case the mark CRISTAL appears clearly four times on the neck of the bottle marketed by the intervener and twice on the main label, accompanied by the symbol ®. On the neck that mark is separate from the other elements. In addition, the mark CRISTAL appears alone on the boxes in which bottles of the mark CRISTAL are marketed. Equally, on the invoices produced by the intervener reference is made to the term 'cristal' with the mention '1990 coffret'. It should be noted that the mark CRISTAL thus identifies the product marketed by the intervener.
36. As regards the mention 'Louis Roederer' on the main label, it merely indicates the name of the manufacturer's company, which may provide a direct link between one or more product lines and a specific undertaking. The same reasoning applies to the group of letters 'lr' which represents the initials of the intervener's name. As pointed out by OHIM, joint use of those elements on the same bottle does not undermine the function of the mark CRISTAL as a means of identifying the products at issue.
37. Furthermore, OHIM's finding that the use of the word mark together with the geographical indication 'Champagne' cannot be considered to be an addition capable of altering the distinctive character of the trade mark when used for champagne must be endorsed. In the wine sector the consumer is often particularly interested in the precise geographical origin of the product and the identity of the wine producer, since the reputation of such products often depends on whether the wine is produced in a certain geographical region by a certain winery.
38. In those circumstances it must be held that the use of the word mark CRISTAL together with other indications is irrelevant and that the Board of Appeal did not infringe Article 15(2)(a) of Regulation No 40/94, Article 43(2) and (3) thereof, or Rule 22(2) of the implementing regulation.

32. Since *NIRVANA* the ECJ has considered and dismissed appeals against three of these CFI decisions. In Case C-171/06P *Devinlec Developpement Innovation Leclerc SA v Office for Harmonisation in the Internal Market* [2007] ECR I-41 and in Case C-131/06P *Castellblanch SA v Office for Harmonisation in the Internal Market* [2007] ECR I-63 the issue of use in a form differing in elements which do not alter the distinctive character of the mark did not arise on the appeals. In Case C-234/06P *Il Ponte Finanziaria SpA v Office for Harmonisation in the Internal Market* [2008] ETMR 13 the appellant argued that the use of the word mark THE BRIDGE (registration 642952) constituted use of the stylised word mark Bridge (registration 370836) in a form differing in elements which did not alter the distinctive character of the mark. The ECJ held as follows:

81. Under Article 15(1) of Regulation No 40/94, a trade mark which has not been put to genuine use during the relevant period is subject to the sanctions provided for in that regulation, unless there are proper reasons for non-use.
82. Under Article 15(2)(a) of that regulation, use of the Community trade mark in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered also constitutes use within the meaning of Article 15(1).
83. Those provision are essentially the same as those in Article 10(1) and (2)(a) of Directive 89/104 to approximate the laws of the Member State relating to trade marks.
84. In that regard, it must be held that the Court of First Instance did not commit any error of law in disregarding the appellant's argument that use of the trade mark Bridge (No 370836) during the reference period was established by evidence adduced for the purpose of demonstrating use of the trade mark THE BRIDGE (No 642952).
85. Without it being necessary to examine whether the trade mark THE BRIDGE (No 642952) may be regarded as being different solely by reason of elements which do not alter the distinctive character of the trade mark Bridge (No 370836), it must be stated that use of the former mark has not been established and cannot therefore in any way serve as evidence of use of the latter.
86. In any event, while it is possible, as a result of the provisions referred to in paragraphs 81 and 82 of the present judgment, to consider a registered trade mark as used where proof is provided of use of that mark in a slightly different form from that in which it was registered, it

is not possible to extend, by means of proof of use, the protection enjoyed by a registered trade mark to another registered mark, the use of which has not been established, on the ground that the latter is merely a slight variation on the former.

33. It can be seen from this that the ECJ's conclusion at [85] was that use of the postulated variant had not been established and therefore the issue did not arise. I shall consider the significance of what the ECJ said at [86] below.

34. At [19]-[20] in *NIRVANA* I quoted certain passages from Part 6 of the Office for Harmonisation in the Internal Market's Opposition Guidelines dated March 2004. Those passages remain unchanged in the final version of the revised Guidelines dated November 2007.

35. I do not consider that the subsequent developments discussed above undermine the correctness of the view which I articulated in *NIRVANA* as follows:

33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all.

The proprietor's first three arguments

36. It is convenient to consider the proprietor's first three arguments together. First, the proprietor argues that it is clear from his decision, and in particular paragraph 22, that the hearing officer proceeded on the basis that the only difference between the mark used and the registered trade mark was the incorporation of the word UOMO. In effect, says the proprietor, he treated the

mark which had been used as being the word mark REMUS UOMO whereas many of the labels bear a trade mark which comprises the registered trade mark with the addition of the word UOMO in a visually unobtrusive manner.

37. Secondly, the proprietor argues that the hearing officer failed to assess the distinctive character of the registered trade mark and in particular the impact of the stylised presentation of the word. In effect, says the proprietor, he treated the registration as being of the word mark REMUS. The proprietor contends that the registered trade mark is highly distinctive, not just because the word REMUS is distinctive for clothing but also because it is presented in a visually distinctive manner. Furthermore the proprietor contends that the fact that registered trade mark is highly distinctive is significant when one comes to consider the impact of the addition of the word UOMO in a visually unobtrusive manner.
38. Thirdly, the proprietor argues that, although the hearing officer considered whether the word UOMO would have descriptive significance to the average consumer of the goods and, in the absence of evidence to that effect, concluded that it would not, he failed to consider whether it had distinctive character. The proprietor submits that it is plain that the word UOMO is devoid of distinctive character in relation to clothing and would be unregistrable.
39. I think there is force in each of these points, and in particular the second. So far as the first is concerned, although the hearing officer referred to the fact that “UOMO is usually presented in smaller size lettering beneath the word REMUS in its conjoined lettering form” in paragraph 19, and touched on this again in paragraphs 30 and 40, in paragraphs 20, 22, 23, 31, 38 and elsewhere in 40 he does seem to have treated the mark used as being REMUS UOMO. As to the second, the hearing officer simply did not undertake an assessment of the distinctive character of the registered trade mark. As to the third, having regard to the lack of evidence the hearing officer was entitled to conclude that it had not been established that the word UOMO was descriptive; but he failed to ask himself whether the word UOMO on its own would be registrable as a

trade mark for clothing. Whatever might be the position if the first or third points had stood on its own, I consider that the second point does amount to an error of principle, and still more so in combination with the first and third points. Accordingly it is necessary for me to reconsider the position.

40. I agree with the proprietor that the registered trade mark is highly distinctive for clothing, and that its distinctiveness derives not merely from the word REMUS but also to some extent the stylised presentation. I also agree with the proprietor that, in assessing whether the sign use of which has been proved differs in elements which do not alter the distinctive character of the registered trade mark, it is necessary to take into account not merely the lack of distinctive character of the word UOMO, but also the fact that it is presented in a manner that is subservient to the REMUS element. In the case of the first label reproduced under paragraph 25 above, this is achieved by presenting the word UOMO vertically to the left of the REMUS element. In the case of the other two labels it is presented in smaller lettering, and in the case of the third label it only occupies half of the line.
41. I agree with the hearing officer that the case is not an easy one to decide, but my conclusion is that these labels do qualify as use differing in elements which do not alter the distinctive character of the registered trade mark. My reasons are as follows.
42. I am unable to agree with the hearing officer that consumers would see the labels as presenting REMUS UOMO as a composite mark which they would regard as a unified whole. The registered trade mark is exactly reproduced on two of the labels, and reproduced with insignificant differences on the third label. (I can say that the differences are insignificant with some confidence because it was only late in the drafting of this decision that I noticed them at all.) It is clearly the dominant and distinctive element of the labels. I consider that the subservient presentation of the word UOMO would make consumers view it as an addition to the registered trade mark. Consumers who were aware of the meaning of UOMO would, I think, regard it simply as a descriptor. Consumers who were not aware of the meaning of UOMO would, I think,

view it as denoting a sub-brand to the main brand. Either way, I consider that the addition of the word UOMO in this particular way does not alter the distinctive character of the registered trade mark.

43. I think it worth adding that this does not necessarily mean that the labels must be regarded as constituting two separate signs as opposed to one sign with two distinct elements. As the CFI held in *Castellblanch*, it is possible that “two or more marks are used jointly and autonomously”. In the present case, it seems to me that the labels might simultaneously count as use of the registered trade mark and of a mark consisting of the registered trade mark plus the word UOMO. I shall return to this point below.

The proprietor’s fourth argument

44. It remains necessary to deal with the applicant’s submission recited in paragraph 29 above. Before turning to that, it is convenient first to address the proprietor’s fourth argument.
45. In *Nestlé v Mars* Nestlé applied to register the sign HAVE A BREAK as a trade mark. The application was opposed by Mars. The Court of Appeal upheld findings of the tribunals below that the sign was devoid of distinctive character. Accordingly the issue was whether it had acquired a distinctive character. Nestlé argued that the sign had acquired distinctive character as a result of the use of the expression HAVE A BREAK ... HAVE A KIT-KAT, which was already registered as a trade mark. Mars disputed this. The Court of Appeal referred to the Court of Justice the following question:

May the distinctive character of a mark referred to in Article 3(3) of Directive 89/104 and Article 7(3) of Regulation 40/94 be acquired following or in consequence of the use of that mark as part of or in conjunction with another mark?

46. Advocate General Kokott advised the Court to answer the question in the affirmative. In the course of her Opinion she observed:

23. Article 3(3) of Directive 89/104 permits registration of a mark if, following the use made thereof, *it* has acquired distinctive character. Mars and the Commission infer from this wording that use as an element of another mark may not be invoked as evidence of distinctive character for the purposes of Article 3(3) of Directive 89/104. This view of the matter does not carry conviction since, as the Irish Government as well observes, use of a mark literally means both its independent use and its use as part of another composite mark.
24. Nor, contrary to the view of the United Kingdom Government, can any other inference be drawn from Article 10 of Directive 89/104. Article 10 et seq. concerns the loss of trade-mark protection as a result of non-use. A proprietor of a mark can, as a matter of trade mark law, reserve certain signs for his exclusive use only if he actually uses them. Structurally it would surely be wrong to recognise use for the acquisition of distinctive character but not to allow it to suffice in order to prevent the loss of trade-mark protection. Indeed, it is not precluded that use of a mark as part of another mark may also suffice in the context of Article 10. Under Article 10(2)(a) it also constitutes use if the trade mark is used in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered. Use of a sign as part of a principal mark also comes within that definition. That part would indeed be registered not only as a part of the principal mark but also alone without the other elements of the principal mark though use of the principal mark would only differ in elements from the mark registered in respect of the part. Distinctiveness of that part would not be affected if, as a result of such use, it acquired distinctive character prior to its registration.
47. In its judgment the Court ruled that the distinctive character of a mark may be acquired in consequence of the use of that mark as part of or in conjunction with a registered trade mark. It did not refer to the point made by the Advocate General in paragraph 24 of her Opinion.
48. As noted above, one of the proprietor's arguments advanced in support of the appeal is that the hearing officer failed to appreciate the significance of *Nestlé v Mars*. The proprietor argues that this supports its contention that use of labels such as that discussed above constituted use of the registered trade mark.
49. Prior to the hearing before me, the Registrar understood the proprietor to be arguing that, even if there was no use of a mark differing in elements which did not alter the distinctive character of the registered trade mark within

section 46(2) as interpreted in *BUD*, use of a composite mark of which the registered trade mark formed an independently distinctive part could constitute genuine use of the latter within section 46(1). The Registrar submitted that, if that argument became material, it would raise an important point of law which ought either to be referred to the High Court under section 76(3) of the 1994 Act or referred to the ECJ under Article 234 EC. At the hearing, however, the proprietor's advocate clarified that the proprietor was not raising that argument, but on contrary was relying upon section 46(2) as interpreted in *BUD*. Having regard to that clarification and also to my conclusion with regard to section 46(2), it is unnecessary for me to reach any conclusion with regard to the argument anticipated by the Registrar. It will be appreciated, however, that my comments in paragraph 43 above are relevant to that issue.

50. The argument which the proprietor actually advanced was to the effect that, when applying section 46(2) as interpreted in *BUD*, the tribunal should in the light of *Nestlé v Mars* take a flexible view as to what constitutes use which does not alter the distinctive character of the mark. In the present case, however, I do not consider that this adds anything to the analysis set out in paragraph 42 above.

The REMUS UOMO mark

51. In Case T-149/03 *Il Ponte Finanziaria v OHIM* the CFI held at [50] that:

Article 15(2)(a) does not allow the proprietor of a registered trade mark to avoid his obligation to use that mark by relying in his favour on the use of a similar mark covered by a separate registration.

In *NIRVANA* I commented at [14] that this conclusion appeared to me to be difficult to reconcile with the judgment of the ECJ in *Nestlé v Mars*. On the subsequent appeal to the ECJ in Case C-234/06P *Il Ponte Finanziaria v OHIM* Advocate General Sharpston considered that the issue did not arise for decision: see paragraph [77] of her Opinion. Despite this, the ECJ appears to have affirmed the CFI's conclusion in its judgment at [86] which I have

quoted above. I note that neither the Advocate General nor the ECJ referred to *Nestlé v Mars*.

52. At the hearing before me the proprietor's advocate and the Registrar's representative were agreed that paragraph [86] of the judgment in Case C-234/06P was both what English lawyers call *obiter dicta* (that is to say, statements in a judgment which are unnecessary to the decision because the decision was taken on other grounds and therefore are not binding) and inconsistent with *Nestlé v Mars*. I too agree with these points, although my understanding is that European law does not recognise the distinction between *ratio* and *obiter dicta* that English lawyers draw.
53. The Registrar's representative submitted that the inconsistency between paragraph [86] of the judgment in Case C-234/06P and *Nestlé v Mars* was a matter which should be referred to the ECJ for a preliminary ruling in an appropriate case and that it was a matter for the exercise of my discretion as to whether I should make a reference in the present case. The proprietor's advocate explained that the proprietor was opposed to any reference being made to the ECJ on grounds of cost and delay. Given that the applicant only made written submissions to me on costs grounds, I presume its position would be the same.
54. Nevertheless, had it been necessary to my decision in this case, I would have seriously considered referring a question to the ECJ on this point. Fortunately, perhaps, it is not necessary. The reason for this is that the labels whose use I have concluded falls within section 46(2) do not constitute use of the REMUS UOMO mark exactly in either of the forms registered. Nor do I consider that the differences would go unnoticed, particularly in the case of the first and third labels. The labels might well constitute use of that registration by virtue of section 46(2), but that is not the same thing. Accordingly, even if it is correct that use of one registered trade mark cannot constitute use of another registered mark by virtue of section 46(2), that would not prevent the proprietor from relying on the labels in question in the present case.

Conclusion

55. The appeal is allowed and the order for revocation set aside.

Costs

56. The hearing officer ordered the proprietor to pay the applicant the sum of £1300 as a contribution to its costs. I shall reverse that order and order the applicant to pay the proprietor the additional sum of £1000 as a contribution to its costs of the appeal, making a total of £2300.

28 February 2008

RICHARD ARNOLD QC

Chris Aikens of Rouse Legal appeared for the proprietor (appellant).

Peter Barnes of Barlin Associates Ltd made written submissions for the applicant (respondent).

Allan James appeared for the Registrar.