

TRADE MARKS ACT 1938 (AS AMENDED) AND
TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION **m** 7117
BY JEAND' HEURS S.A. FOR RECTIFICATION OF
THE REGISTER OF TRADE MARKS IN RESPECT OF
REGISTRATION **m** 561428 STANDING
IN THE NAME OF RANK LEISURE HOLDINGS PLC

TRADE MARK : **ODEON**

TRADE MARKS ACT 1938 (AS AMENDED) AND
TRADE MARKS ACT 1994

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IN THE MATTER OF Application **m** 7117
by Jeand'heurs S.A. for rectification of
the register of trade marks in respect of
Registration **m** 561428 standing
10 in the name of Rank Leisure Holdings PLC

15 DECISION

The trade mark **ODEON (m 561428)** is registered in Class 16 in respect of:

20 "Paper (except paper hangings), stationery, bookbindings; all included in Class 16;
cancelled in respect of printed publications relating to gramophones and gramophone
records."

The registration stands in the name of Rank Leisure Holdings PLC.

25 By an application filed on 14 January 1992 Jeand'heurs S. A. of France applied for
rectification of the register of trade marks by the cancellation of this registration. In summary
the grounds are:

- 30 ! there has been no bona fide use of Registered Mark **m** 561428 in the United
Kingdom upon or in relation to the goods for which it is registered, during a
period of at least five years and one month up to the date of the present
application for rectification, by any proprietor or registered user
- ! the applicant is a person aggrieved in that Registration No. 561428 has been
cited under the provisions of section 12(1) of the Trade Marks Act 1938 (as
amended) against application **m** 1428854 (filed by the applicant).

35 The registered proprietor filed a counterstatement denying the grounds for rectification,
although at the hearing it was accepted that the applicant was a person aggrieved in the sense
required by the Act.

40 Both sides filed evidence in these proceedings, following which a hearing was held on
3 February 1999. At the hearing, the registered proprietor was represented by Mr John Slater
of Marks & Clerk; the applicant for rectification was represented by Ms Anne Wong of
Carpmaels & Ransford.

45 By the time this matter came to be heard, the old Act had been repealed in accordance with
Section 106(2) and Schedule 5 of the Trade Marks Act 1994. These proceedings having
begun under the provisions of the Trade Marks Act 1938 however, they must continue to

be dealt with under that Act in accordance with the transitional provisions set out at Schedule 3 of the 1994 Act. Accordingly, all references in this decision are references to the provisions of the old law, unless otherwise indicated.

5 Applicant's evidence

In support of its case, the applicant for rectification filed statutory declarations by Anne Wong, Jason Matthew Roberts, and Roy Lane.

10 Anne Wong is a registered trade mark agent with Carpmaels and Ransford. The evidence contained in her statutory declaration, dated 20 April 1994, concerns the investigations that she made to ascertain the use made by the registered proprietor of the mark. She describes a number of visits to ODEON cinemas and the shops associated with those cinemas. She also relates the substance of several conversations with employees of the registered proprietor
15 working at these premises. The following extracts will suffice to give a flavour of Ms Wong's evidence:

20 "The assistant confirmed that goods such as brochures or wrapping paper are not sold but he offered me a selection of children's poster books connected with films such as 'Bambi' and 'Jungle Book'. I could see from these items that they are clearly marked and sold under the Trade Mark WALT DISNEY and not ODEON. I asked for similar goods sold under the ODEON trade mark but these were not available."

25 "The Registered Proprietors claim to sell goods such as paper cups, headrest covers and paper bags under the trade mark ODEON. The member of staff at Muswell Hill cinema told me that I cannot purchase these items but I could have a paper cup bearing the name ODEON if I purchase a drink of PEPSI Cola."

30 "I made enquiries about the availability of stationery and paper goods at the Barnet cinema but I met with a negative response; such goods are not sold in the cinema shop and the employee confirmed that these goods have not been sold as long as he has worked at the cinema. He went to some length to try to suggest another cinema or shop where I can buy ODEON stationery and paper goods ..."

35 "I have experienced great difficulty to the point of failure in purchasing goods covered by Registration m 561428 from Odeon outlets, despite the statement from the Registered Proprietors that such goods can be purchased from any Odeon shop. "

40 Jason Matthew Roberts is an investigator employed by Carratu International Group Ltd. His evidence concerns a report that he prepared following enquiries that he made to establish the use or non-use of the trade mark ODEON by the registered proprietor. His evidence is dated 8 April 1994, and the report exhibited to his statutory declaration is dated 7 October 1991. In his report, Mr Roberts says that he was instructed to establish if the registered proprietor was using the trade mark in respect of paper, stationery, bookbindings and related goods. He says
45 "we visited an Odeon cinema in The Broadway, Wimbledon, London", and goes on to report that the name ODEON was used on admission tickets, confectionery, popcorn packets and

company stationery. Examples of these are attached to his report. Mr Roberts concludes his report by saying:

“Conclusion

5 The subject company use the trade mark ODEON on stationery and related goods.”

Roy Lane is a Research Manager employed by Carratu International Group Ltd. In his statutory declaration dated 8 April 1994, Mr Lane says that he was instructed to make further enquiries into the use of the ODEON mark. Mr Lane then exhibits a copy of a letter from him
10 addressed to Ms Wong at Carpmaels and Ransford.

The letter, which is dated 11 October 1991, reads as follows:

Dear Ms Wong

RE: ODEON THEATRES LTD - GB:4312

Further to our report of 7 October 1991, we have made further enquiries as requested.

There is a shop in the Odean Complex at Brighton but no pens, diaries or notebooks are on sale.

We have also contacted the Marketing Director at Top Rank in London, Mr Ackroyd. He has informed us that the only souvenirs on sale with “Odeon” on them are small teddy bears. The company does not sell pens, pencils, notebooks or diaries with the “Odeon” name on them.

Assuring you of our best attention at all times.

Kind regards.

Yours sincerely

R Lane

Registered Proprietor’s Evidence

The registered proprietor’s evidence comprises a statutory declaration, dated
15 September 1995, by John Maynard. Mr Maynard is the Group Licensing Manager of the
15 Rank Organisation Plc. Mr Maynard says that the trade mark ODEON has been in continuous use in relation to theatre, cinema, musical and concert services since the 1930's. He adds that over the years, the services provided have been extended and supplemented to include food and refreshments as well as the sale of merchandise related to the films being shown.
20 Specifically referring to the relevant period in these proceedings, he says:

“During the period 3rd December 1986 up until 3rd December 1991 the support merchandise relevant to the above proceedings would have included posters, giftwrap,

cards and vouchers; paper bags and cups; tickets and vouchers; paper covers and paper mats; entertainment programmes.”

He then goes on to say that:

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“... the goods sold under the “ODEON” banner and in relation to the trade mark included certain items of a “character merchandising” nature selected for sale by my company in their shops in conjunction with certain feature films especially those aimed at children. Such support merchandise would have included materials such as note books, note pads, colouring books and sheets and the like.”

15
Unfortunately, all of the items that are sold through the cinema shops and kiosks are entered on the same ‘sundries’ line in the cinemas return and are not statistically broken down or analysed in any way. For this reason, Mr Maynard says that he is unable to estimate the value of the relevant goods sold during the period in question. In his words, “My company simply has no factual records of the relevant sales which took place”.

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Whilst Mr Maynard declares that all ODEON cinemas have units that sell items to the public, the size of the units varies from place to place according to the amount of available space in the foyer etc.. He says that there are only six locations which have separate shops associated with them. These are at Doncaster, Newcastle, Chester, York, Exeter and Worcester.

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During the relevant period, there was also a stand alone shop in the cinema at Ipswich. Mr Maynard exhibits a copy of the March 1991 issue of a publication called ‘Moving Pictures’. The centre page carries a feature article about the Ipswich cinema complex, including a photograph. According to Mr Maynard, this photograph of an ODEON shop shows that paper goods were being offered for sale, including a range of posters, books and the like. He adds that any goods purchased in the shops were selected for sale under the ODEON trade mark, and upon purchase at the till would have been placed into an ODEON plastic carrier bag (an example of which is exhibited at JM3).

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Mr Maynard also states that the larger shops provide a giftwrap service, and that a charge is made for each sheet of paper sold in conjunction with this service. He then goes on to refer to a number of other ‘paper’ goods and explains how the mark ODEON is used. For example:

“Paper cup and bag - the amount charged to the customer incorporates the cost of the item.
Paper headrest - this is a hygiene product sold to the customer included within the cost of the ‘premium’ seat.
40 Gift voucher - these goods can be purchased at any ODEON shop.
Guest tickets - these are sold to customers and provided in exchange for advertising space. The voucher is sold for money or monies worth and is not an admission ticket.”

Applicant’s Evidence in Reply

45 This comprises a further two statutory declarations: One dated 17 April 1996 by Anne Wong, and the other, dated 22 April 1996, by Geoffroy Marie Wandrille de Warren.

Ms Wong says that she telephoned the six larger ODEON shops identified in Mr Maynard's statutory declaration to enquire about ODEON stationery, paper products etc.. Here are selected extracts from her summary of these enquiries:

5 “Doncaster

This is a cinema with three screens and I was informed by a female assistant that it no longer has an ODEON shop. The cinema sells posters but they are not marked with the name ODEON

10 Newcastle

This is a four screen cinema and I spoke to a female duty Manager. This cinema has an ODEON shop which sells goods such as posters. I was informed that the posters bear “the distributors names such as Disney”. The duty Manager could think of no merchandise for sale which carries the ODEON name, apart from gift vouchers.

15 Chester

This cinema has five screens but the cinema shop does not sell any merchandise in the nature of posters or wrapping paper. I was again advised that I can have an ODEON paper bag in which to place any products that I buy from the shop.

20 York

This is a three screen cinema and I was informed by a male assistant that the cinema shop does not sell stationery paper goods marked with the ODEON name, although the name appears on popcorn cartons and sweet bags.”

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Mr de Warren is the Chief Executive Officer of Jeand'Heurs S.A. His statutory declaration comprises observations relating to the registered proprietor's evidence and consequently there is no need for me to summarise his statutory declaration here.

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That completes my review of the evidence. I now go on to consider the grounds for rectification.

Section 26 of the Act, so far as is relevant, reads as follows:

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“26.- (1) Subject to the provisions of the next succeeding section, a registered trade mark may be taken off the register in respect of any of the goods in respect of which it is registered on application by any person aggrieved to the Court or, at the option of the applicant and subject to the provisions of section fifty-four of this Act, to the Registrar, on the ground either -

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- (a)
- (b) that up to the date one month before the date of the application a continuous period of five years or longer elapsed during which the trade mark was a registered trade mark and during which there was no bona fide use thereof in relation to those goods by any proprietor thereof for the time being.”

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The first matter I have to consider is whether the applicant is a person aggrieved. The normal consideration for “persons aggrieved” is that set down by Lord Herschell in *Powell v Birmingham Vinegar Company* (Vol 1894) 11 RPC 4.

5 In the present case the applicant has applied to register the same mark as that belonging to the registered proprietor. The applicant confirms that the registration in suit has been cited under the provisions of section 12(1) against its own application — *m* 1428854.
As I have already stated above, Mr Slater very fairly accepted at the hearing that the applicant is a person aggrieved. Moreover, it seems to me that the applicant satisfies the test laid down
10 by Lord Herschell. I have no hesitation, therefore, in reaching the conclusion that the applicant is a person aggrieved.

The next matter I have to consider is whether the applicant has made out a prima facie case in relation to non use during the relevant period.

15 Before I draw my own conclusions from the evidence and submissions at the hearing it is worth setting out the main considerations and tests which I must apply in reaching my view. It is well established that, only if a prima facie case of non use is made out, does the burden of proof of showing actual user shift to the registered proprietor (see “*TRINA*” Trade Mark [1977] RPC 131 which in turn refers to “*NODOZ*” Trade Mark [1962] RPC 1).

The applicant’s prima facie case rests on the evidence of Ms Wong and Mr Lane. Rather unusually, Mr Roberts’ evidence, though filed by the applicant, concludes that the registered proprietor has used the mark ODEON on stationery and related goods.

25 Mr Lane’s evidence merely confirms that an employee of Top Rank in London told him that the registered proprietor does not sell pens, pencils, notebooks or diaries with the “ODEON” name on them. For reasons which I shall explain in more detail below, this evidence is not particularly helpful.

30 The enquiries which are the subject of Ms Wong’s statutory declaration were all made in April 1994; several years after the end of the relevant period which runs from 3 December 1986 to 3 December 1991. Although Ms Wong spoke to several staff who could not recall the company ever selling stationery goods, most of the staff were not employed by the
35 registered proprietor during the relevant period. Only at the Odeon cinema at Great North Road, Barnet, North London did Ms Wong come across someone who had worked at the cinema for approximately four years. The employee is not named, but Ms Wong says that he confirmed that the cinema had not sold stationery and paper goods while he had been working there. Strictly speaking this part of Ms Wong’s evidence is hearsay.

40 Notwithstanding these defects in the applicant’s evidence, it appeared to me at the hearing that there was a fundamental flaw in the applicant’s case. Ms Wong accepted that the registered proprietor sells various items of stationery (or paper goods) in its shops. But she insisted that as the mark ODEON is not physically applied to the goods then the mark is not being used. In particular Ms Wong confirms in her first statutory declaration that she was offered a selection
45 of poster books in the ODEON cinema on Fortis Green Road, Muswell Hill, North London. In her second statutory declaration, she confirms that the Odeon cinemas at Doncaster and

Newcastle also sold posters. But because the goods bore the distributor's mark, eg WALT DISNEY, and not ODEON Ms Wong submitted that the goods were not being sold under the ODEON mark. I also note that the registered proprietor's evidence includes a photograph of the inside of an ODEON shop in the March 1991 issue of a publication called 'Moving Pictures'. The photograph clearly shows posters being offered for sale directly beneath a large ODEON sign hanging inside the shop.

As part of her argument on this point, Ms Wong gave an example using a tin of Heinz Baked Beans. She maintained that if a certain well known supermarket had a registration for baked beans, that registration would be liable to revocation on the grounds of non-use if the supermarket only ever sold Heinz Baked Beans. I disagree. Section 68(2) defines "use" in the following terms:

"(2) References in this Act to the use of a mark shall be construed as references to the use of a printed or other visual representation of the mark, and references therein to the use of a mark in relation to goods shall be construed as references to the use thereof upon, or in physical or other relation to, goods."

From this it is clear to me that the mark need not be physically applied to the goods in order to qualify as "use" for the purposes of the Act. Moreover, section 26(1)(b) specifically refers to use *in relation to* the goods and not use *upon* the goods. In this particular case, the parties were agreed that, during the relevant period, I would have been able to walk into an ODEON shop and purchase a poster directly beneath a large ODEON sign. To my mind, that must be use of the mark ODEON in relation to paper and/or stationery, even though the poster itself carries another mark, in this case WALT DISNEY.

As I have said above, there must in my view be some basis in evidence if the applicant is to transfer the onus in these proceedings to the registered proprietor. On the evidence filed in these proceedings I do not consider that the applicant has discharged that responsibility. The application fails accordingly.

The registered proprietor, having been successful in these proceedings, is entitled to a contribution towards the cost of defending the registration. I hereby order the applicant to pay the registered proprietor the sum of **£635**.

Dated this 10th day of March 1999

Mr S J Probert
Principal Hearing Officer
For the Registrar, the Comptroller-General