

O-101-13

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No.84108
BY FURNITURELAND.CO.UK LIMITED
FOR REVOCATION OF TRADE MARK No. 2401897
STANDING IN THE NAME OF
FURNITURE VILLAGE LIMITED**

BACKGROUND

1) The following trade mark is registered in the name of Furniture Village Limited (hereinafter FV).

Mark	Number	Registration Date	Class	Specification
FURNITURELAND	2401897	10.03.2006	20	Furniture, mirrors, picture frames; goods of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum and substitutes for all these materials, or of plastics; beds, sofa beds; mattresses; bed heads; bed bases; bed frames; bedsteads; bedding; divan sets; pillows; ornaments; cushions; fittings for curtains; parts and fittings for all the aforesaid goods.
			27	Carpets, underlays and floor coverings.
			35	The bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a retail furniture store or by means of telecommunications.

2) By an application dated 20 June 2011 Furnitureland.co.uk Limited (hereinafter FURL) applied for the revocation of the registration under the provisions of Section 46(1)(a) claiming there has been no use of the trade marks on the goods and services for which it is registered in the five year period post registration. A revocation date of 11 March 2011 is sought.

3) On 17 October 2011 FV filed a counterstatement. FV is not defending its registration in respect of the goods in Class 27. However it states that it has used the mark in suit in respect of the registered specification for goods in class 20 and services in class 35. In a letter dated 5 October 2012, FV proposed:

—a non-binding restriction of the specification of Trade Mark Registration No. 2401897 in the form of a fall-back position, as referenced in the aforementioned Official Letter.

The proposed specification reads:

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

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

4) Nothing came of this offer to limit the specification. Both sides filed evidence. The matter came to be heard on 21 February 2013 when FV was represented by Mr Brandreth of Counsel instructed by Messrs Keltie LLP; and FURL was represented by Mr Davies of Messrs Elevation Legal.

FV'S EVIDENCE

5) FV filed a witness statement, dated 27 January 2012, by Edward Duggan the Finance Director of FV, a position he has held since November 2004. He states that the information in his statement comes from his own knowledge or from the records or employees of FV. He states that FV is a leading furniture retailer in the UK and opened its first store in 1989, it now has 39 stores throughout England, all under the name FURNITURE VILLAGE. It also trades under this name on the internet.

6) In 1973 Finaware Ltd was incorporated, and changed its name on 28 July 1986 to Furnitureland Ltd. Mr Duggan states that Furnitureland Ltd was a leading furniture retailer in the UK. As of 2005 it had 21 stores throughout the UK (exhibit B refers). At exhibit C he provides evidence which shows that during the period September 1999-March 2004 the average annual turnover under the FURNITURELAND mark was approximately £67.7 million. He states that on 3 March 2006 the mark in suit was assigned from Furnitureland Limited to Furniture Village Limited together with the goodwill of the business associated with the mark in suit. A copy of the assignment is provided at exhibit D and shows that the goodwill was transferred. The assignment was recorded by the Registry on 27 March 2006. Furnitureland Ltd was dissolved on 22 June 2010.

7) Mr Duggan states that on 7 January 2011 his company set in train the re-launch of FURNITURELAND in relation to furniture and retail services relating thereto. It contacted True Digital Ltd, a digital marketing company, to create a website plan and marketing overview for the brand. He provides exhibits, which demonstrate the events which then occurred, as follows:

- Exhibit F: A copy of the website plan and marketing report (undated).
- Exhibit G: A copy of a search on WHOIS which shows the domain name www.furnitureland.uk.com registered in the name of FV on 15 February 2011.
- Exhibit H: Copies of correspondence between FV and True Digital Ltd and also internal communications. All relate to the website for selling furniture under the mark in suit, and are dated between January and March 2011. They show that a considerable amount of work was carried out in designing the website, and also sorting out with their bank an account for the online sales. It also details a —holding page” that was put on the website in late February 2011.
- Exhibit I: copies of printouts from the current website (not dated but presumably January 2012) showing the range of furniture on offer.
- Exhibit J: Copies of invoices from True Digital Ltd dated 28 March 2011, 30 April 2011 and 4 May 2011. All refer to project FURNITURELAND. They amount to over £10,000.
- Exhibit K: A copy of an advertisement taken out in the national *Daily Star* newspaper on 10 March 2011. This shows a picture of a bed, dining suite and a sofa. It refers to FURNITURELAND and gives the website address.

- Exhibit L: copies of documents relating to the search engine optimisation and investment in the website to improve functionality. The plan is dated 29 March 2011 and envisages a cost of approximately £5,000 to carry out the upgrade.
- Exhibit M: A copy of an email dated 9 March 2011 from Mr Duggan to his trade mark attorney states:

—From the mad house which is year-end, budgets and everything else, we are now live and the following ad will run tomorrow.

Much more product and website functionality will be dripped in over the coming weeks and months... We are running a “request call back” service at present as the techy [sic] side has a glitch on the online order but we are throwing resource and money at getting that sorted. The buyers are in the Far East looking at the next stage of products particularly upholstery this week.”

8) Mr Duggan states that the website went live on 25 March 2011 via the furnitureland website, and offered a wide range of furniture products, including living room furniture, dining room furniture and bedroom furniture.

FURL’S EVIDENCE

9) FURL filed a witness statement, dated 2 May 2012, by Daniel James Stuart Davies, its Trade Mark Attorney. Mr Davies states that he was initially appointed to deal with a domain name dispute between the parties. Mr Davies states that FV surrendered UK trade mark 2401896 when a revocation action was filed. He states that the mark consisted of a figurative mark featuring the word Furnitureland, and that FV accepted that no use had been made of the mark. He also provides details regarding Furnitureland Limited, such as it went into administration on 22 September 2005; the stores closed on 27 November 2005; the domain site lapsed in 2009 and that Furnitureland Limited ceased to trade after 27 November 2005. He also provides a number of exhibits mostly dealing with the domain name dispute, but also detailing correspondence between the parties and the Registry in respect of this case and the revocation of mark 2401896. I find that none of the evidence filed assists me in my decision.

FV’S EVIDENCE IN REPLY

10) FV filed two witness statements in reply. The first, dated 15 August 2012, is by Eamon Wynne the Sales and operations Director of FV. He repeats much of the evidence of Mr Duggan. He then provides information regarding events at the time of his statement which is after the relevant date.

11) FV also filed a witness statement, dated 16 August 2012, by Benjamin Neilus Britter, its Trade Mark Attorney. His statement contains nothing which assists my decision.

12) That concludes my review of the evidence. I now turn to the decision.

DECISION

13) As a preliminary point Mr Davies returned to the issue of the granting of an extension of time for FV to file its evidence. In January 2012 FV sought an extension of time which, in its preliminary view, the Registry refused. The matter was then subject to discussion at a Case Management Conference (CMC) and I decided to allow the four day extension from the original filing date set by the Registry of 23 January 2012 to 27 January 2012 when the evidence was actually filed. The trade mark agents set out in their initial request and repeated at the CMC the reasons why they required additional time, and it was clear that FV had not been dilatory in their efforts to file their evidence and that their reasons for the extremely short delay were in accord with the major authorities on this issue. Given that the evidence had been filed by the time of the CMC and that the extension requested was only four days and had been fully explained I determined that the extension of time should be granted which allowed the evidence into the case. Mr Davies reiterated his opposition to the evidence being allowed into the case. He referred me to the Trade Mark Rules 2008 rules 38, 62 and 77, and also the Tribunal notice 2/2011. Despite these I remain of the opinion that to have not allowed an extension of four days would have been disproportionate and overly prejudicial to FV, whereas by allowing the extension there was no prejudice to FURL other than that the case proceeded to a determination on the merits. The request to have the extension of time denied is refused.

14) The revocation action is based upon Section 46(1)(a) of the Trade Marks Act 1994, the relevant parts of which read 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) ...
- (c)
- (d)

(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, 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.”

15) FURL alleges that the mark has not been used in the five years subsequent to its registration i.e. 11 March 2006 – 10 March 2011. These dates were agreed by both parties at the hearing.

16) Where FV claims that there has been use of the trade mark, the provisions of Section 100 of the Act make it clear that the onus of showing use rests with it. It 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.”

17) In *Laboratories Goemar SA's Trade Mark (No. 1)* [2002] F.S.R. 51 Jacob J (as he was then) said:

—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.”

18) In determining the issue of whether there has been genuine use of the mark in suit I look to case O-372/09 (*AMBROEUS*) where Ms Anna Carboni acting as the Appointed Person set out the following summary:

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

(b) The use must be more than merely —~~to~~en”, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(c) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Silberquelle*, [17].

(d) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(i) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(ii) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(e) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] - [23].

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

19) Section 46(6) states:

—46(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.

20) At the hearing FURL referred me to the decision of Mr James in Jensen Healey BL-O/491/12. This was relied upon as the Hearing Officer decided that use on a web site did not amount to genuine use. However, this interpretation by Mr Davies is very narrow as in the case referred to there were a number of other factors which affected the decision on the internet use. I do not find that the case referred to is on all fours with the instant case. Mr Davies also contended that the whole of the evidence provided by FV was a sham, in that it was done deliberately simply to maintain the trade mark on the Register. The sole basis for this thesis seems to be that FV contacted its trade mark agent the day before the deadline for use to inform them of the advertisement placed in the national newspaper. It was contended that the Nominet dispute had alerted FV to the possibility of a revocation action. Even if I accept the contention that FV were aware that, because it had not used their mark in the four plus years since registration, it might be open to challenge on the fifth anniversary of its registration, it could not know of the intention of FURL to file a challenge. If FURL had made even a vague reference along these lines I am sure that it would have been filed in evidence and my attention drawn to it.

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

22) In determining a fair specification I take into account the approach set out by Mr Richard Arnold QC (as he was then) acting as the Appointed Person in O/26/06 (NIRVANA) where he said:

—58I derive the following propositions from the case law reviewed above:

(1) The tribunal’s first task is to find as a fact what goods or services there has been genuine use of the trade mark in relation to during the relevant period: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [30].

(2) Next the tribunal must arrive at a fair specification having regard to the use made: *Decon v Fred Baker* at [23]; *Thomson v Norwegian* at [31].

(3) In arriving at a fair specification, the tribunal is not constrained by the existing wording of the specification of goods or services, and in particular is not constrained to adopt a blue-pencil approach to that wording: *MINERVA* at 738; *Decon v Fred Baker* at [21]; *Thomson v Norwegian* at [29].

(4) In arriving at a fair specification, the tribunal should strike a balance between the respective interests of the proprietor, other traders and the public having regard to the protection afforded by a registered trade mark: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [29]; *ANIMAL* at [20].

(5) In order to decide what is a fair specification, the tribunal should inform itself about the relevant trade and then decide how the average consumer would fairly describe the goods or services in relation to which the trade mark has been used: *Thomson v Norwegian* at [31]; *West v Fuller* at [53].

(6) In deciding what is a fair description, the average consumer must be taken to know the purpose of the description: *ANIMAL* at [20].

(7) What is a fair description will depend on the nature of the goods, the circumstances of the trade and the breadth of use proved: *West v Fuller* at [58]; *ANIMAL* at [20].

(8) The exercise of framing a fair specification is a value judgment: *ANIMAL* at [20].”

23) FV proposed a further revised specification at the hearing. This virtually accords with my own view. Taking all of the above into account, to my mind, a fair specification would be as follows:

- In Class 20: Furniture; beds; mattresses; bed heads; bed bases; bed frames; bedsteads
- In Class 35: The bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a retail furniture store or by means of telecommunications.

24) This would remove the following from the specification in Class 20: mirrors, picture frames; goods of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum and substitutes for all these materials, or of plastics; sofa beds; bedding; divan sets; pillows; ornaments; cushions; fittings for curtains; parts and fittings for all the aforesaid goods.

CONCLUSION

25) FV chose not to defend the Class 27 specification of “Carpets, underlays and floor coverings”. They also offered a limitation of their specification in October 2012, which was not responded to. In my decision I had found that FV has not shown use of the following goods in Class 20: mirrors, picture frames; goods of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum and substitutes for all these materials, or of plastics; sofa beds; bedding; divan sets; pillows; ornaments; cushions; fittings for curtains; parts and fittings for all the aforesaid goods”.

26) The above must therefore be regarded as being revoked with effect from 11 March 2011.

27) I propose to limit the specification to the following:

- In Class 20: Furniture, beds, mattresses; bed heads; bed bases; bed frames; bedsteads
- In Class 35: The bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a retail furniture store or by means of telecommunications.

28) The specification I am suggesting is the result of simple —~~ble~~ lining”. Therefore I do not intend to give the parties an opportunity to comment upon my proposal.

COSTS

29) It is clear that a considerable amount of the specification will be revoked. Although given the concessions offered well in advance of the hearing, FURL has advanced its case only marginally by having a hearing. However, as the successful party FURL is entitled to a contribution towards its costs.

Preparing a statement and considering the other side’s statement	£200
Preparing evidence and considering and commenting on the other side’s evidence	£500
Preparing for and attending a hearing	£300
TOTAL	£1000

40) I order Furniture Village Limited to pay furnitureland.co.uk Limitd the sum of £1000. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 28th day of February 2013

**George W Salthouse
For the Registrar,
the Comptroller-General**