

**O/1112/23**

**TRADE MARKS ACT 1994  
CONSOLIDATED PROCEEDINGS**

**IN THE MATTER OF TRADE MARK REGISTRATION NO. 909355281  
IN THE NAME OF SUGATSUNE KOGYO CO., LTD.  
FOR THE TRADE MARK**

**EXCELOCK**

**IN CLASS 9**

**AND THE APPLICATION FOR A DECLARATION OF INVALIDITY THEREOF  
UNDER NO. 504930 BY CARL ACTON**

**AND**

**IN THE MATTER OF TRADE MARK REGISTRATION NO. 2475234  
IN THE NAME OF CARL ACTON FOR THE TRADE MARK**



**IN CLASSES 6, 9 AND 20**

**AND THE APPLICATION FOR REVOCATION ON THE GROUNDS  
OF NON-USE UNDER NO. 505484 BY SUGATSUNE KOGYO CO., LTD.**

## Background and pleadings

1. Sugatsune Kogyo Co., Ltd. (“Ltd”) is the registered proprietor of the trade mark EXCELOCK (number 909355281). The trade mark was filed on 6 September 2010, claiming priority from 17 March 2010, and it achieved registration on 11 March 2011.<sup>1</sup> It is registered in class 9 for *Electronic lock; electronic lock for electronically switching door modes between a door inoperable mode (locking mode) and a door operable mode (unlocking mode); electronic apparatus for completely closing an opened door and maintaining the door inoperable mode (locking mode)*.

2. On 30 May 2022, Carl Acton applied for Ltd’s trade mark registration to be declared invalid under sections 47(2)/5(1), 5(2)(a), 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). Mr Acton relies upon his earlier trade mark registration for the grounds under section 5(1), 5(2)(a), 5(2)(b) and 5(3):<sup>2</sup>

2475234



Filing date: 17 December 2007; registration date: 9 May 2008

Class 6: *Safes and safe doors; safe deposit lockers; strongrooms and strongroom doors; cash boxes, deed boxes, security cabinets and coffers; security transfer units and depositories; security doors, windows, partitions, gates, grilles, shutters and*

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<sup>1</sup> Priority is claimed from a Japanese filing, number 2010-020769. Ltd’s registration is a comparable mark because it was registered as a European Trade Mark (“EUTM”), which covered all the EU member states, including the UK prior to the UK exiting the EU. On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 54 of the Withdrawal Agreement, the Registry created comparable UK trade marks for all rights holders with an existing EUTM. Since Ltd’s mark was a registered EUTM as at the end of the Implementation Period, it automatically became registered as a comparable mark. Comparable trade marks are recorded on the UK trade mark register, have the same legal status as if they had been applied for and registered under UK law, and retain their original filing dates.

<sup>2</sup> Additional claims also filed under various sections of the Act, or rather matter entered in the fields on statutory form TM26(l) for sections 3(1)(a), 3(1)(b), 3(1)(c), 3(1)(d), 3(6), 5(4)(b) and 56, were struck out by the Tribunal in letters dated 2 August 2022 and 1 September 2022.

*screens; fire-resisting doors, cabinets and containers; metal shelves, trays and drawers; locks, locking devices, latches, catches, keys, keyblanks, bolts, chains and security fittings; fittings for doors, drawers and windows; furniture fittings; metallic building materials and reinforcements; metallic security barrier materials; metal hose reels and cabinets therefor; metal signs; and parts and fittings for all the aforesaid goods.*

*Class 9: Intrusion and theft detecting and indicating apparatus, instruments and systems; alarms and alarm systems; electrical, electronic, optical and photographic apparatus, instruments and systems, all for security purposes; access-control apparatus and systems; encoded cards; electrical and electronic locks, keys and programming apparatus therefor; parts and fittings for all the aforesaid goods.*

*Class 20: Non-metallic locks, locking devices, latches; non-metallic catches, keys, keyblanks, bolts, chains and security fittings; non-metallic fittings for doors, drawers and windows; parts and fittings for all the aforesaid goods.*

3. In his statutory claim form, Mr Acton states that his registration included the registration right to the word EXCELOCK in the original paperwork filed in 2007. He states that he has proof of use of the word and the registered domain name excelock.co.uk since 2008. With regard to the claim under section 5(3) of the Act, Mr Acton states (in summary) that his mark is distinctive, has a reputation and that confusion with Ltd's mark on the internet has tarnished his mark and led to unfair advantage and loss of business success.

4. Under section 5(4)(a) of the Act, Mr Acton claims that he has used the sign EXCELOCK since 2007 throughout the UK (and Europe) in relation to the goods covered by his registered trade mark. He states that passing off would occur because Ltd's mark is too similar/has identical spelling to his own sign.

5. Ltd filed a defence and counterstatement on 24 October 2022, denying the grounds for invalidation and putting Mr Acton to proof of use of his registration and use of the sign EXCELOCK. On the same date, Ltd also filed an application to revoke Mr Acton's

registration on the grounds that no genuine use of it had been made in relation to the registered goods during the following periods:

- 10 May 2008 to 9 May 2013, with an effective revocation date of 10 May 2013 under section 46(1)(a) of the Act;
- 22 August 2017 to 21 August 2022, with an effective revocation date of 22 August 2022 under section 46(1)(b); and
- 23 October 2017 to 22 October 2022, with an effective revocation date of 23 October 2022 under section 46(1)(b).

6. Mr Acton filed a defence and counterstatement in which he denies the grounds. He states that his trade mark has been in constant use since 2008 and “is in Use on a Lock Product which is used in all Classes Registered under 6 - 9 - 20.”

7. Mr Acton filed evidence with his defence and counterstatement in the revocation proceedings. The evidence required amendment and it was admitted to the proceedings in the Tribunal’s letter of 14 December 2022. It was at this point that the proceedings were consolidated. Mr Acton was given a further two months to file evidence to support his statement of use in the invalidation proceedings and to show goodwill in relation to use of the sign relied upon. As the proceedings were consolidated, the first set of evidence filed with the defence against the revocation application must be considered evidence for both sets of proceedings. Otherwise, Mr Acton would be placed in a worse position than if he had waited two months to file his evidence in the revocation proceedings, as provided for by Rule 38(4) of the Trade Mark Rules 2008 (as amended). To be clear, I will consider all of Mr Acton’s evidence (such as has been admitted to the proceedings) as covering both sets of proceedings.

8. Ltd is represented by Maguire Boss, a firm of trade mark attorneys. Only Mr Acton filed evidence. Neither party requested a hearing. Only Ltd filed written submissions in lieu of a hearing. I make this decision after a careful consideration of all the papers on file.

## **Relevant dates for proof of use of registration 2475234**

9. I have already set out the dates for which use must be shown in relation to the application to revoke Mr Acton's trade mark registration. Mr Acton made a statement of use in relation to his mark in his invalidation action. In fact, he made two statements of use. The statutory invalidation application form TM26(I) contains questions regarding two potentially relevant periods for showing that an earlier trade mark registration has been put to genuine use. The first statement of use relates to the five year period ending on the date on which the invalidation action was filed. In these proceedings, that is 31 May 2017 to 30 May 2022. The earlier mark had been registered for five years or more on 30 May 2022. Mr Acton's statement of use for this period is admissible and Ltd has required him to prove use of the mark during that five year period.

10. The second statement of use relates to the five year period ending on the date on which the contested mark was filed, or its priority date. At this date, a statement of use is only relevant if the earlier mark relied upon had been registered for five years or more as of that date. In the present invalidation action, this period runs from 18 March 2005 to 17 March 2010. This particular statement of use was made erroneously because Mr Acton's trade mark registration had not been registered for five years on 17 March 2010.

11. To summarise, in the invalidation proceedings, Mr Acton is required to prove genuine use of his trade mark, in relation to the goods for which it is registered, in the five year period of 31 May 2017 to 30 May 2022.

### **Genuine use**

12. The relevant parts of Section 46 of the Act state:<sup>3</sup>

“46. - (1) The registration of a trade mark may be revoked on any of the following grounds—

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<sup>3</sup> For the revocation action.

(a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c) [...]

(d) [...]

(2) For the purpose of subsection (1) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), 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) [...]

(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 existing at an earlier date, that date”.

13. The relevant parts of section 47 of the Act state:<sup>4</sup>

“47. (1) [...]

(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(2ZA) [...]

(2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

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<sup>4</sup> For the invalidation proceedings.

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if –

(a) the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with their consent in relation to the goods or services for which it is registered-

(i) within the period of 5 years ending with the date of application for the declaration, and

(ii) within the period of 5 years ending with the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application where, at that date, the five year period within which the earlier trade mark should have been put to genuine use as provided in section 46(1)(a) has expired, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes –

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) 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.

(2D)-(2DA) [Repealed]

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(2F) [...]

(2G) An application for a declaration of invalidity on the basis of an earlier trade mark must be refused if it would have been refused, for any of the reasons set out in subsection (2H), had the application for the declaration been made on the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application.

(2H) The reasons referred to in subsection (2G) are-

(a) that on the date in question the earlier trade mark was liable to be declared invalid by virtue of section 3(1)(b), (c) or (d), (and had not yet acquired a distinctive character as mentioned in the words after paragraph (d) in section 3(1));

(b) that the application for a declaration of invalidity is based on section 5(2) and the earlier trade mark had not yet become sufficiently distinctive to support a finding of likelihood of confusion within the meaning of section 5(2);

(c) that the application for a declaration of invalidity is based on section 5(3)(a) and the earlier trade mark had not yet acquired a reputation within the meaning of section 5(3).

(3) [...]

(4) [...]

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(5A) [...]

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed.”

14. Mr Acton is the proprietor of his trade mark registration. He bears the burden of proving that his mark has been put to genuine use in both the revocation and the invalidation proceedings because Section 100 of the Act states:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

15. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch), the judge, Arnold J (as he then was) summarised the law relating to genuine use, as follows:<sup>5</sup>

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009]

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<sup>5</sup> “CJEU” is the abbreviation for the Court of Justice of the European Union. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark caselaw of EU courts.

ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

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

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

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of

promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

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

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

[39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

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

16. Mr Acton’s evidence consists of three witness statements and exhibits.<sup>6</sup> The first is dated 1 December 2022 with Exhibits 1 to 9; the second is dated 13 December 2022, and the third is dated 15 February 2023 with Exhibits 10 to 13. As Mr Acton’s second statement is short and is in narrative form, I reproduce it in full:

“I Carl Acton have originally thought of the trademark – EXCELOCK in year 2005, however I registered the trademark EXCELOCK in year 2007 after inventing a new lock which is especially for securing roller shutters and gates doors of all natures and I especially developed and had the product mass produced for myself as a secure application for the roller shutter industry that I have been involved in since year 1986 and this industry is where my experience in security and locks is achieved from.

I Carl Acton – created the name EXCELOCK to go with my invented lock product and I can only say that I am and have been the sole inventor of the EXCELOCK lock product and its capability as being the UK’s foremost secure and easy to use roller shutter lock and the trademark EXCELOCK fits with the lock and its word and design as engraved on the product and used in public covered in classes 6 - 9 - 20 thus I claim to be and continue to be the owner of the rights to EXCELOCK trademark and that EXCELOCK has been in constant use since 2007 and registered with the Intellectual Trademark Office by my myself and my business EXCELOCK in name and I am a design patented inventor with many products designed but only the EXCELOCK trademark carries my rights as registered since year 2007 with the UK Intellectual Trademark Office”.

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<sup>6</sup> Confirmed in the IPO’s letter to the parties of 24 April 2023.

17. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each piece of evidence shows use by itself.<sup>7</sup> That said, there must be an evidential picture overall which enables me to make a finding that the mark has been put to genuine use. The assessment is tied to particular time periods. This makes it very important that exhibits are dated or, if undated, other evidence corroborates them and make it possible to place their use within the particular relevant five-year period(s). It is also very important that the evidence which is dated shows that use took place within the relevant five-year periods.

18. Exhibits 1 and 2, which are photographs of locks, are undated:



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<sup>7</sup> *New Yorker SHK Jeans GmbH & Co. KG v OHIM*, General Court of the European Union (“GC”), Case T-415/09.

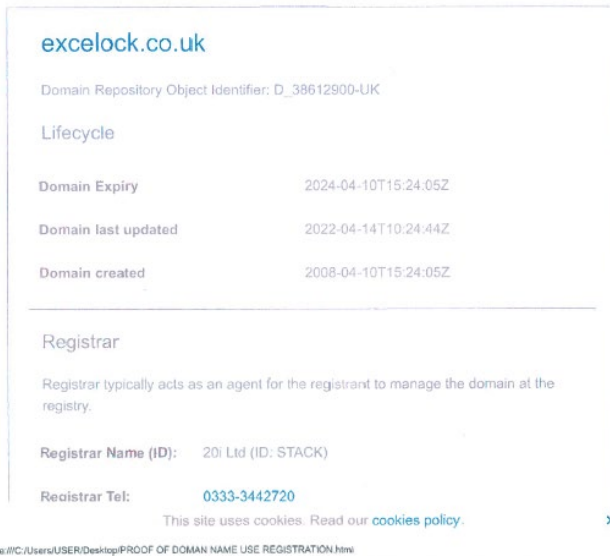


19. Mr Acton states that the exhibits show the mark “in use”, but there are no corroborating documents to show that they were in use during the relevant periods. I do not disbelieve Mr Acton’s statement that his mark has been in continuous use, but this is an assertion which must be supported by documentary evidence. For instance, Mr Acton could have provided customer orders which would show the dates and the quantities sold. There are no such exhibits. I bear in mind that the genuine use provision is not there to assess economic success or large-scale commercial use, and 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.<sup>8</sup> There are no figures of any kind which would enable me to determine the amount of goods sold, when and where they were sold. This is a significant gap in the evidence.

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<sup>8</sup> *MFE Marienfelde GmbH v OHIM*, GC, Case T-334/01.

20. Exhibit 3 which is a screenshot showing when the domain name excelock.co.uk was registered and updated:



21. Mr Acton states that this is evidence of the publicity of his business because it has appeared online. The problem with this evidence is that, like a trade mark, a domain name can be registered and never used. The simple fact of a domain name registration does not show that a mark has been put to genuine use. If Mr Acton wished to show that a website was in constant use during the relevant periods, then evidence of e.g. dated screenshots, showing the goods available and their prices, would be necessary.

22. Exhibit 4 is a letter from the Intellectual Property Office ("IPO"), dated 10 January 2008, following examination of the application for Mr Acton's trade mark. The letter shows the mark in the form in which it is registered. Exhibit 5 is a copy of the receipt from the IPO confirming that Mr Acton applied for his trade mark on 17 December 2007. The receipt confirms that the mark type is "Word and Device" and the mark is Excelock. Exhibit 6 is a copy of the registration certificate for Mr Acton's trade mark, showing the mark as registered, dated 9 May 2008. Exhibit 7 is a repeat of Exhibit 5, with handwritten arrows drawing attention to "Mark type: Word and Device" and a copy of some of the IPO's 'FAQs' for trade mark applicants, in which handwritten arrows point to:

“Device and word  
pictorial element”

A word or words together with a device or

23. The copies of the receipts from the IPO (Exhibits 5 and 7) and the copy of the trade mark registration certificate (Exhibit 6) do not show that the mark has been used in relation to the goods: i.e. used in the marketplace. The evidence showing the IPO’s examination letter (Exhibit 4) in which Mr Acton was informed of a third-party’s mark in the search by the examiner does not show that Mr Acton’s mark has been used in the marketplace. Registration of a trade mark does not equal use.

24. Exhibit 8 comprises product information literature in the name of Ltd, with handwritten underlining of Ltd’s name at the bottom of the second image in the exhibit:

EXHIBIT 8 EX 8 (Part 2)

**4 Confirmation of operation**  
When confirming unit function, proceed the work referring “EXCELOCK Total Lock Operation Manual”.  
Confirm functions after turning on the power and register SL-EKU key on connected system.

**■ TROUBLESHOOTING**

TROUBLE	CHECK	SOLUTION
① No function	(A) Check power plug and connectors. (B) Check breakage or damage of cable. (C) Check external view of unit.	Confirm and correct poor connection. If defective cable is found, stop work immediately. Contact our sales shop or an electrician. If defective cable is found, stop work immediately. Contact our sales shop or an electrician.
② Door is not locked even when it is closed.	(A) Check positions of lock unit and strike plate when closing the door. (B) Check if lock unit and strike plate are in correct positions for detecting correct closing. Check and use door stopper for positioning purpose.	<ul style="list-style-type: none"> <li>Check installation drawing for mounting position and direction of lock and strike plate.</li> <li>Check if the relative position of lock and strike plate is within the tolerance as follows: Front-rear: ±2 mm, Left-right: ±3 mm, Up-down: ±2 mm.</li> <li>See chapter 3-2 to adjust the positions of lock and mounting plate.</li> <li>The door will not be locked if the closed position is not stable.</li> <li>Apply door stopper or magnet catch to fix the relative position of lock and strike plate when door is closed.</li> <li>See chapter 3-2 to adjust the positions of lock and mounting plate.</li> </ul>
③ Error warning sounds.	(A) Check if door is kept open. (B) When door is closed, check if relative position of lock unit and strike plate is correct.	<ul style="list-style-type: none"> <li>Close the door.</li> <li>When door is kept open for more than 3 minutes, door-open warning is sent to sound.</li> <li>The alarm stops when closing the door (door is locked).</li> <li>Place key near antenna to lock. Sound stops when door is closed.</li> <li>If sound continues, relative position of lock unit and strike plate may be incorrect.</li> <li>Correct the positions referring Trouble ② above.</li> </ul>
④ Door would not open. (Key cannot unlock.)	(A) Check condition of cable connection. (B) Check if excessive load is applied on the door or lock unit, interfering correct function. (C) The status of lock unit might be improper when power was switched on.	<p>Correct cable connections referring Trouble ① above.</p> <p>The following may be affected:</p> <ul style="list-style-type: none"> <li>Deformation, warp or damage of door or furniture.</li> <li>Furniture is inclined or not horizontal.</li> <li>Object stored in the furniture pushes the door from inside.</li> </ul> <p>After remove the load from lock unit or its strike plate, open the door. For further detail, please contact our sales shop or an electrician.</p> <p>Malfunction is caused if a lock unit is switched on at locked status without strike plate coupled. To solve the problem, power off the system. Couple a strike plate with the lock, then power on.</p>
⑤ Recovery from blackout	(A) Blackout under locked status. (B) Blackout under unlocked status.	<p>The system maintains the locked status. No special action is required after the recovery.</p> <p>Lock unit keeps unlocked, but solenoid lock gets locked when power is lost. Keep the door of lock unit opened until power recovery. You may close the door of solenoid lock regardless the power status.</p>

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12

25. Mr Acton states that this exhibit shows breach of his trade mark. What the exhibit does not prove is that Mr Acton's trade mark has been used with his consent in the UK during the relevant periods. Mr Acton states:<sup>9</sup>

"It is an issue of the fact that Sugatsune using my trademark in class 9 and in general I have obtained sales from my Market sector (Class 9) and caused losses to myself as the Turnover has diminished. The Turnover in the relevant period between the years 2007 until 2023 have been varied and the costs do not effect the Process of Trademark cancellation and I would assume estimate a Maximum loss of £50,000 Pounds in revenue to my business at this present time. It is very difficult to be precise with figures unless You summon Sugatsunes accounting sales of there version of Excelock thus it will indicate how much Sugatsune have made using Breach of trademark in using my trademark Excelock and in class 9. Thus please ask Sugatsune to provide you with there Evidence of Excelock sales to ascertain how much I may have lost in overall percentages as this is a More accurate way to be accountable with Facts."

26. As above, whilst Mr Acton refers to diminishing turnover, he does not actually provide any indication of the diminishing turnover said to have been achieved in relation to his own use of his mark. I think what Mr Acton is submitting is that his mark has been used, but by Ltd, and that their turnover is what he would have achieved without their use of the mark, which he states is a breach of his own mark. However, what is required from Mr Acton under the provisions of sections 46(1)(a) and (b) and section 47(2B)(a)(i) is evidence of use of his mark with his consent. The law does not provide for an account of losses to show genuine use by an aggrieved party. Nor does it provide for use by a third party (Ltd), without the consent of the party with the burden of proof (Mr Acton), as constituting use of the mark of the party with the burden of proof (Mr Acton). Since Mr Acton claims that he has made constant use of his mark in his second witness statement (reproduced earlier in this decision), he cannot mean that there are proper reasons for non-use of his mark, even if he had claimed that as a defence. Further, if what Mr Acton states about Ltd's use is meant to be a reason

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<sup>9</sup> At paragraph 8 of Mr Acton's first witness statement.

why he has not made use of his mark, it is not sufficient according to case law. The law in relation to proper reasons for non-use requires that the reasons why a mark has not been used must be outside of the control of the proprietor. Mr Acton would still have been able to use his mark, and indeed claims to have done so. There is no evidence that Ltd was engaged in a misleading or fraudulent strategy in order to deprive Mr Acton of his trade mark.<sup>10</sup>

27. Exhibit 9 is a photograph of Mr Acton's business bank card which shows EXCELOCK at the bottom of the card.<sup>11</sup> Exhibit 13 is an email to Mr Acton dated 5 January 2023 from an employee of Lloyds Bank who works in Business Banking. The email is entitled "Letter of Reference" and it states "As per our conversation held today, 05/01/23, I can confirm that the business, Carl Acton T/A Excelock holds a business account with Lloyds Bank which has been open since 10/02/2012." I note that Mr Acton states that he used the account to pay fees to the IPO, but neither of these exhibits establishes that the trade mark has been used in relation to the registered goods. There are no other exhibits which corroborate these exhibits, such as invoices for goods.

28. Exhibit 10 is a copy of an email from PayPal to Mr Acton dated 14 August 2008 which confirms that Mr Acton has paid excelock (excelock@yahoo.co.uk) the sum of £65. This amount comprises cart subtotal £60, for a quantity of 1, and a shipping charge of £5. Exhibit 11 appears to include a continuation print from the same transaction, in which the business is identified as excelock, the contact email as excelock@yahoo.co.uk and the shipping information is Mr Acton's name and address. The numbering of the pages comprising Exhibits 11 to 13 is confusing. Also included in Exhibit 11 is an email from PayPal to excelock@yahoo.co.uk dated 22 July 2010 saying that PayPal was transferring £35.68 from the latter's PayPal balance to a Barclays bank account.<sup>12</sup> These are tiny amounts; there is no indication as to what they were for; and the transactions took place well before the second and third of the

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<sup>10</sup> See *C=Holdings BV v EUIPO*, Case T-672/16, General Court of the European Union.

<sup>11</sup> Mr Acton declined the opportunity to redact the details of the card.

<sup>12</sup> Exhibit 12 appears to comprise a print of the end of the above PayPal message and a description of Exhibit 13.

relevant periods in the revocation action and well before the five-year period prior to the filing of the application for invalidity.

29. I referred earlier in this decision to the gaps in the evidence and that the burden of proof lies with Mr Acton. In *Awareness Limited v Plymouth City Council*, Mr Daniel Alexander QC, sitting as the Appointed Person, stated that:<sup>13</sup>

“22. The burden lies on the registered proprietor to prove use..... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

### **The revocation proceedings**

30. Mr Acton’s evidence falls well short of what is required to demonstrate genuine use of his mark in relation to the registered goods in any of the three periods during which Ltd alleges there was no genuine use made of Mr Acton’s mark, under sections 46(1)(a) and (b) of the Act. Put simply, Mr Acton has not provided any evidence that the mark has been used in the relevant periods, or at all. The consequence of this is that his registration is revoked with effect from 10 May 2013.

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<sup>13</sup> Case BL O/236/13. The Appointed Person is appointed by the Lord Chancellor to hear appeals in trade mark and design decisions made by the IPO.

## The invalidation proceedings

31. Despite the outcome of the revocation proceedings, at the date on which Ltd applied for its mark, on 17 March 2010, Mr Acton's mark was still 'alive' on the register (and remained alive until 9 May 2013). This means that the revocation proceedings have no effect upon Mr Acton's application to invalidate Ltd's trade mark.<sup>14</sup> However, as set out earlier in this decision, as well as the burden upon Mr Acton to defend his mark in the revocation proceedings, he is required to prove that genuine use was made of his mark by him or with his consent in the five year period ending on the date he filed the invalidation proceedings against Ltd's registration. The evidence Mr Acton has provided does not meet that requirement for the same reasons as it does not meet the requirements in the revocation proceedings. The consequences of this are that Mr Acton cannot rely upon his registration as an earlier mark against Ltd's registration for his grounds under sections 47(2)/5(1), 5(2)(a), 5(2)(b) and 5(3) of the Act. These grounds of invalidation against Ltd's mark fail.

32. That leaves Mr Acton's section 47(2)/5(4)(a) ground. Section 5(4)(a) states:

“(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa) [...]

(b) [...]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

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<sup>14</sup> See the decision of Professor Ruth Annand, sitting as the Appointed Person in *Tax Assist*, case BL O/220/12.

33. Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

34. It is well-established that there are three elements which the applicant (Mr Acton) must show to succeed under this ground. In *Discount Outlet v Feel Good UK* [2017] EWHC 1400 (IPEC), Her Honour Judge Melissa Clarke, sitting as a Deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the Jif Lemon case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56 In relation to deception, the court must assess whether “*a substantial number*” of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

35. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing

which distinguishes an old-established business from a new business at its first start.”

36. Although the law is not the same as for genuine use, Mr Acton must still show that he had an actionable goodwill on the date on which Ltd’s mark claims priority, 17 March 2010. The law protects a small goodwill but not a trivial one; i.e. sales so small that the goodwill is trivial. Mr Acton’s evidence falls a long way short of showing any goodwill at all. As a result, Mr Acton’s section 47/5(4)(a) ground also fails.

### **Overall outcome**

37. Mr Acton’s registration, number 2475234, is revoked with effect from 10 May 2013 under section 46(6)(b) of the Act.

38. The application for invalidation of Ltd’s registration fails. Registration number 909355281 remains validly registered.

### **Costs**

39. Ltd has been successful and is entitled to a contribution towards its costs which are assessed according to the scale published in Tribunal Practice Notice 2/2016, which was applicable when these proceedings commenced. I award Ltd costs as follows, taking into account the consolidated nature of the proceedings:

Fee for filing the form TM26(N) (revocation application)	£200
Preparing the application for revocation	£200
Considering Mr Acton’s form TM26(I) (application for invalidation) and filing the counterstatement	£200
Considering Mr Acton’s evidence	£500

Filing written submissions in lieu of a hearing                      £400

Total    £1500

40. I order Carl Acton to pay Sugatsune Kogyo Co., Ltd. the sum of **£1500**. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of these proceedings if any appeal against this decision is unsuccessful.

**Dated this 23<sup>rd</sup> day of November 2023**

**Judi Pike**  
**For the Registrar**