

TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 8796
BY QUEST CONSUMER PRODUCTS LIMITED
FOR REVOCATION OF TRADE MARK 1296114
QUESTO
STANDING IN THE NAME OF
J&G COUGHTRIE LIMITED

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IN THE MATTER OF APPLICATION No 8796
BY QUEST CONSUMER PRODUCTS LIMITED
5 FOR REVOCATION OF TRADE MARK No 1296114
STANDING IN THE NAME OF
J & G COUGHTRIE LIMITED

DECISION

10 The trade mark QUESTO is registered under number 1296114 in Class 11 of the register in respect of:

“Installations and apparatus, all for lighting; parts and fittings for all the aforesaid goods; all included in Class 11.”

15 The application for registration was made on 19 December 1986 and the mark was placed on the register on 6 October 1989. The registration stands in the name of J & G Coughtrie Ltd, Montrose Ave, Hillington, Glasgow, G52 4LZ.

20 By an application dated 22 December 1995, Quest Consumer Products Ltd applied for the revocation of the registration. The grounds stated were:

25 1) The applicants for revocation have existing and proposed activities in the manufacture and sale of lighting apparatus and installations, baths, bath fittings and installation, sterilizers and parts and fittings for the same, and are applicants in respect of Trade Mark application No 1547328 for the mark QUEST in Class 11 against which registration No 1296114 has been cited by the Registrar.

30 2) The Registered Proprietor has not put the trade mark QUESTO to genuine use in the UK within the period of at least five years following completion of the registration procedure and ending three months prior to the date of this application for revocation in relation to any of the goods for which it is registered, or any such use has been suspended for an uninterrupted period of five years, ending three months prior to the date of this application for revocation and there are no proper reasons for non-use. The applicants request that registration no 1296114 be revoked under the provisions of Section 46(1) (a) & (b) of the Trade Marks Act 1994.

40 3) Alternatively, the Registered Proprietor has not put the trade mark QUESTO to genuine use in the UK within the period of at least five years following completion of the registration procedure and ending three months prior to the date of this application in relation to lighting for children and night lights and similar goods to lighting for children and night lights or any such use has been suspended for an uninterrupted period of five years, ending three months prior to the date of this application for revocation and there are no proper reasons for non-use. The applicants request that registration no 1296114 be
45 revoked in respect of lighting for children and night lights and similar goods to lighting for children and night lights.

On 10 April 1996 the registered proprietors filed a counterstatement accepting that they had not

yet used the mark QUESTO but maintaining that they had a bona fide intention to use it. They stated that “the trade mark QUESTO has been earmarked for a specific product upon which development work has been carried out.” They asked for the refusal of the request for revocation of registration, or in the alternative that the trade mark be partially cancelled only in respect of lighting for children and night lights. Both sides ask for an award of costs. Neither party wished to be heard in the matter. My decision will therefore be based on the pleadings and evidence filed.

Registered Proprietors’ Evidence.

This consists of a statutory declaration, dated 4 April 1996, by John Gillies Coughtrie a director of the company. Mr Coughtrie states that in the “late 1980’s” his company was in the early stages of designing and developing various lighting products. As part of this exercise the company sought registration of a number of trade marks for use with appropriate products as they were developed. He states that “We had then and still have a bona fide intention to use these trade marks as the new products are brought to the market place.” Mr Coughtrie goes onto explain that because of the high costs of development, and the firm being a family business, it had taken time to develop the products. He claims that “Substantially over £1million pounds has been spent on tooling costs for example. It has been our policy to market new products as finances allow.”

Finally he reiterates that the mark QUESTO “is earmarked for a particular product upon which development work has been taking place.”

Applicant for revocation’s evidence.

The applicants filed two statutory declarations. The first is by Patrick Alexander Desmond Lloyd dated 18 July 1997. Mr Lloyd is a partner in Reddie & Grosse, the trade mark agents for the applicant for revocation.

Mr Lloyd gives his opinion that the reasons for non-use provided by the registered proprietor are not acceptable. He also provides copies of letters from his firm to the agents for the registered proprietor seeking consent for his clients’ registration of the mark QUEST. The letters show that the agent was seeking initially consent for his clients’ mark to be registered. When this was not forthcoming, they warned that they would seek revocation of the mark. Thus, Mr Lloyd states the registered proprietor had prior notification of the action and is incorrect in claiming that they had no warning of the revocation action.

The second statutory declaration, dated 16 May 1997, is by Mr Wyn E Roberts. Mr Roberts is the Sales Marketing Director of Quest Consumer Products Ltd, a position he has held for four and a half years. Mr Roberts states that he is unaware of any use of the mark QUESTO by the registered proprietors.

In relation to his own company’s activities he states that they plan products a number of years in advance, and review their trade mark position with that in mind. Mr Roberts does not believe that high tooling costs are a proper reason for non-use. He states that all companies have to bear the high costs of tooling for a new product and “it is precisely for this reason that my company files trade mark applications in preparation for launching new products.”

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

DECISION

With all of the evidence in mind I now turn to consider the grounds of revocation. These are found in Section 46(1) which, in so far as it is relevant, reads as follows:

5 “46. (1) The registration of a trade mark may be revoked on any of the following grounds

10 (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;

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

Section 100 of the Act is relevant as it clarifies where the overall burden of proof rests in relation to the question of use. It reads:

20 “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.”

25 Where it is claimed that there has been use of the trade mark, the provisions of Section 100 of the Act makes it clear that the onus of showing use rests with the registered proprietor. However, in this case the registered proprietor has admitted that there has been no use of the mark. Having conceded that they have not used the trade mark the onus, in my view, stays with the registered proprietor to establish that there are “proper reasons for non-use” if the mark is to remain registered.

30 The Act does not set out what are considered to be proper reasons for non-use. However, in the INVERMONT trade mark case (1997 RPC 130), the Registrar’s Hearing Officer considered the meaning of the words “proper reasons for non-use”, and drawing a distinction between the wording of Section 26(3) of the Trade Marks Act 1938 and the provisions of Section 46(1) of the 1994 Trade Marks Act said:

35 “Moreover, the word “proper” appears, rather than the slightly more restrictive word “special”. The reasons do not have to be special, it seems merely “proper”. As can be seen in any English dictionary, “proper” is a word with many meanings. But bearing in mind the need to judge these things in a business sense, and also bearing in mind the emphasis which is, and has always been placed on the requirements to use a trade mark or lose it, I think the word proper in the context of Section 46 means:- ‘apt, acceptable, reasonable, justifiable in all the circumstances’.”

40 “.....He describes difficulties which by his own admission are normal in the industry concerned and in the relevant market place. I do not think that the term “proper” was intended to cover normal situations or routine difficulties. I think it much more likely that it is intended to cover abnormal situations in the industry or market, or even in perhaps some temporary but serious disruption affecting the registered proprietor’s business.

Normal delays occasioned by some unavoidable regulatory requirement, such as the approval of a medicine might be acceptable but not, I think, the normal delays found in the marketing function. These are matters within the businessman's own control and I think he should plan accordingly....".

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The registered proprietor has claimed that "We had then and still have a bona fide intention to use these trade marks as the new products are brought to the market place." It is also claimed that the mark has been allocated to a product and that development work has been taking place. However, no detail of the development work is given. It is stated that over £1million has been spent on tooling for the products attributed to a number of trade marks that the company has registered, but no separate figures are given for the products to be offered for sale under trade mark in question. Similarly, although the registered proprietor has stated that there is an intention to use the mark, no date is given for when production / sales are anticipated to begin.

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In my view the reasons for non-use are within the proprietors control and result from a routine difficulty in business of generating funds for investment. The registered proprietor also requested that the Registrar exercise his discretion in their favour. Even if the Registrar does have discretion under Section 46(1) no grounds have been put forward that would justify it being exercised in the proprietors' favour in this case.

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I conclude that the application should be allowed. Registration No 1296114 will be revoked in its entirety. The effective date of revocation being the date of the application for revocation, 22 December 1995. The application having succeeded I order the registered proprietor to pay the applicants the sum of £635 as a contribution towards their costs.

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Dated this 5 day of May 1999

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George W Salthouse
For the Registrar
The Comptroller General

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