

O-165-03

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO 2008994
IN THE NAME OF R MAHTANI**

**AND THE APPLICATION FOR REVOCATION THEREOF
UNDER NO 12215
BY DE RIGO SPA**

TRADE MARKS ACT 1994
In the matter of registration no 2008994
of the trade mark POLICE
in the name of R Mahtani
and the application for revocation thereof
under no 12215
by De RIGO SpA

BACKGROUND

1) On 17 January 2001 De RIGO SpA (referred to afterwards as De Rigo) filed an application for the revocation of registration no 2008994 for the trade mark POLICE (the trade mark) standing in the name of R Mahtani. The trade mark was registered on 15 December 1995. It is registered for the following goods:

perfumes, non medicated toilet preparations, cosmetics, essential oils, soaps, shampoos, preparations for the hair and scalp, personal deodorants and anti-perspirants, after shaves, eau de toilettes; all included in Class 3

2) De Rigo states that it has tried to contact the registered proprietor, Ms Mahtani, but that it appears that she has left the address recorded on the Register and left no forwarding address or address for service in the United Kingdom.

3) De Rigo states that it is not aware that the trade mark has been used at all by Ms Mahtani or used with her consent in respect of any of the goods for which it is registered. De Rigo states that the trade mark has not been used by Ms Mahtani or used with her consent in relation to any goods for an uninterrupted period of a least five years prior to the date of the application for revocation and that there are no proper reasons for non-use. De Rigo states that the trade mark wrongly remains upon the register and should be revoked under the provisions of section 46(1)(a) of the Trade Marks Act 1994 (the Act). De Rigo seek revocation of the trade mark and an award of costs.

4) Ms Mahtani filed a counterstatement. She states that De Rigo is aware of her contact address and has corresponded with her at that address. Ms Mahtani states that she has used the trade mark since registration for the “class of goods” for which it is registered. She states that the trade mark has been used by her and with her consent since its registration. Ms Mahtani rejects the application for revocation and seeks an award of costs in her favour.

5) The registrar reached a preliminary view that the evidence of use supplied by Ms Mahtani under rule 31(2) of the Trade Marks Rules 2000 (the Rules) was not sufficient to represent a defence to the application for revocation and so the registration would be revoked. An interlocutory hearing was held on 6 September 2001 in relation to this matter. The hearing officer, Mr Rose’Meyer, (see decision BL 0/131/02) rejected this preliminary view and stated the following:

“37. However, in view of any concerns from the applicants over the chronology of the statutory provisions in the rule 31 due to the further evidence of the registered proprietor having been admitted under rule 31(8), I set out how the remainder of these proceedings may progress:

(a) the rule 31(4) period for the applicants to file their evidence will then be set, in which they may file such evidence as they think necessary to support their application for revocation.

(b) If as a result of this evidence (and bearing in mind that rule 31(8) evidence has already been admitted in to the proceedings), the registered proprietor deems it necessary to file any further evidence under rule 31(6), then this should be done within the period that will be set.

(c) The applicants will then have the opportunity to file evidence strictly in reply to this rule 31(6) evidence as per rule 31(7). If no rule 31(6) evidence is filed by the registered proprietor, there will be no necessity for the applicants to utilise the provisions of rule 31(7).

(d) However, in the event the applicants feel they have not had the opportunity to properly address the registered proprietor’s evidence admitted under rule 31(8), let me remind the applicants that the registrar may also utilise the discretion under rule 31(8) in their favour in the event of any request by them to file further evidence.”

6) Only Ms Mahtani filed evidence. The matter came to be heard on 11 June 2003 when Ms Mahtani was represented by Mr Kime of counsel, instructed by Merricks (Solicitors), and De Rigo was represented by Mr Gill of AA Thornton & Co.

EVIDENCE OF THE REGISTERED PROPRIETOR

Statutory declaration of Rekha Mahtani of 14 May 2001

7) Ms Mahtani is the registered proprietor of the trade mark. Ms Mahtani states that she received correspondence in 1997, and subsequently, from AA Thornton, agents for De Rigo. She attaches copies of correspondence from 1997 between herself and AA Thornton. Ms Mahtani attaches a copy of a distribution agreement dated 23 February 1996 between herself and Linex Limited. The agreement is for use of the POLICE trade mark in respect of all of the goods in the specification. The following is stated:

“The Distributor wishes to use the Trade Mark in relation to the Goods covered by the application and the Licensor is willing to permit the Distributor to do so on the terms and conditions set out therein.”

The agreement requires that the distributor is subject to controls as to the manufacture, package and storage of the goods and as to use of the trade mark as drawn up by the licensor.

8) Ms Mahtani states that in 1998 she contacted De Rigo with a proposal for a joint marketing venture in relation to her trade mark but received no reply. Ms Mahtani states

that she has since commissioned Citrus By Products of New Jersey to produce a range of fragrances for her and that she has been in active negotiations with other companies such as Britannic Business Limited and Visocan SL for the licensing of the trade mark and marketing her brand of cosmetic products. She attaches a letter dated 5 November 1999 from Britannic Business Limited which relates to the drawing up of a draft licensing agreement.

9) Also included in the evidence are a variety of products and materials.

Products:

pure and gentle shampoo
eau de toilette 100 ml
revitalising shower gel
pure and gentle shower gel
skin care lotion

Promotional materials:

booklet
unisex fragrance collection
parfums, eau de toilette, aftershave, eau de parfum
hand board advertising material for eau de parfum
fragrance collection stand-up advertising plastic stand
eau de toilette advertising stand-up board

All the matter is identified by the POLICE trade mark. All but one of the products bears the legend "a product of Mahtani Co". This evidence is not exhibited as part of a statement and there is no narrative in evidence relating to it. However, it has been accepted into the proceedings. The evidence appears to have been listed by Ms Mahtani in her affidavit (see paragraph 16 below).

Affidavit of Rekha Mahtani dated 27 June 2002

10) Ms Mahtani states that on 23 February 1996 she entered into a distribution agreement with Linex Ltd, who had agreed to manufacture, distribute and market fragrances and cosmetics under the trade mark. Ms Mahtani states that she understands that Linex Ltd produced, marketed and sold some goods under the POLICE trade mark. She exhibits at RM1 four invoices from Linex Ltd. The details of the invoices are as follows:

- Invoice dated 15 July 1996 to Visocan SL in the Canary Islands. It is for 300 x 25ml POLICE for men eau de toilette and 1,200 x 50ml POLICE for men eau de toilette. The total sales value of the goods is £1,375.
- Invoice dated 15 August 1996 to Jetlink Ltd in Nigeria. It is for 6,000 x 25ml POLICE for men eau de toilette and 3,000 x 50ml POLICE for men eau de toilette. The total sales value of the goods is £6,500

- Invoice dated 24 December 1996 to Migis Corporation in Hong Kong. It is for 2,400 x 25ml POLICE for men eau de toilette and 1,200 x 50ml POLICE for men eau de toilette. The total sales value of the goods is £2,600
- Invoice dated 25 July 1996 to Modern Europe Ltd in London. It is for 1,800 25ml POLICE for men eau de toilette and 4,200 x 50ml POLICE for men eau de toilette. The total sales value of the goods, exclusive of VAT, is £5,250.

The invoices show that the cost of the 25ml produce is 58p and that of the 50ml product £1.

11) Ms Mahtani states that she tried to contact Modern Europe Ltd to obtain a statutory declaration in regard to the products purchased from Linex Limited. However, Modern Europe Ltd has been wound up and she has not been able to contact any of its former directors. However, she exhibits correspondence with Modern Europe Ltd at RM2. The first part of the exhibit is a letter dated 14 January 1999 from Ms Mahtani stating that the licensing agreement with Linex Ltd has been terminated and so she is writing to former customers to see if they would like to “run with” a new collection under the POLICE trade mark. Modern Europe Ltd’s reply is dated 4 February 1999. It advises that it does not wish to be further involved with the brand. Included in the letter is the following:

“This is to inform you that we took an initial order from Linex in Aug of 1996 and sold this through some of our UK trade accounts.

As per your request we enclose a copy of the Invoice showing details of pricing from Linex. Further orders were not placed because we found the pricing structure unattractive to sell on and Linex were reluctant to give further price support.”

12) Ms Mahtani states that in June 1997 De Rigo approached her in order to seek consent to use its trade mark. She states that she informed De Rigo that she had already granted an exclusive licence to Linex Ltd and, therefore, could not negotiate for use of her trade mark.

13) Ms Mahtani states that in April 1999 she commissioned Citrus By Products of New Jersey to produce a range of fragrances and cosmetics for her to use under the POLICE trade mark. She exhibits at RM3 copies of the correspondence. The correspondence begins with a letter from Ms Mahtani dated 12 April 1999. In her letter of 18 May 1999 Ms Mahtani states that she is looking to develop a comprehensive range of products consisting of eau de toilette, aftershave, deodorants, shampoo and shower gels under the POLICE trade mark. Citrus By Products’ letter of 15 September 1999 advises that Ms Mahtani was sent a selection of samples in the previous week. The final letter in this exhibit is from Ms Mahtani and dated 4 October 1999. It advises that the cost element of the samples is too high and that she is now looking for a different type of fragrance. Ms Mahtani looks forward to receiving a new set of samples.

14) Ms Mahtani states that she was in negotiations with Britannic Business Ltd with a view to seeking its assistance for the marketing and logistics (sic) of the products referred

to in paragraph 13 above. She exhibits at RM4 a copy of a letter dated 20 January 2000 from Britannic Business Ltd in which Ms Mahtani is advised that the project has been transferred to its holding company, Alvabond Group.

15) Ms Mahtani states that upon obtaining the samples of fragrances from Citrus By Products in September 1999 she conducted some market research by placing the products with retail pharmacists within the United Kingdom such as OA Edwards, SS Chemists, Dubison Ltd and FT Taylor Ltd. Ms Mahtani exhibits at RM5 correspondence between herself and two of these retailers, including photographs of the displays used for the products in their retail outlets. The exhibit consists of material relating to trials by Dubison Ltd in Church Road, London NW10 and OA Edwards in Peterborough. Included in the material are invoices for the goods sent, the invoices make it clear that they are for product samples only and are of no commercial value. The invoice for Dubison Ltd is for eau de toilette x 60, deodorants for men x 24, shampoo x 18. The invoice for OA Edward is for eau de toilette x 96, deodorants for men x 36, shampoo x 48. All the goods are identified as being POLICE products and the pictures of the display show the word POLICE prominently upon the products.

16) Ms Mahtani states that as a result of the market research she realigned her marketing direction and altered the base fragrances and also changed the design and bottling. She exhibits at RM6 a list of the range of products she started marketing towards the end of 2000. The list is for the following goods:

pure and gentle shampoo
eau de toilette 100 ml
revitalising shower gel
pure and gentle shower gel
skin care lotion.

Ms Mahtani's list also includes the following advertising material:

booklet
unisex fragrance collection
parfums, eau de toilette, aftershave, eau de parfum
hand board advertising material for eau de parfum
fragrance collection stand-up advertising plastic stand
eau de toilette advertising stand-up board

This list appears to encompass the goods and materials which are referred to in paragraph 9 above.

17) Ms Mahtani goes on to comment on use of the trade mark POLICE by others in other countries. I do not see that this has any relevance to revocation for non-use proceedings.

18) Ms Mahtani exhibits at RM7 a letter from a Mr A Sharma. Ms Mahtani states she tracked down Mr Sharma who sent her the letter that is exhibited. This letter is addressed

to “to whom it may concern”. The letter states that Mr Sharma, the writer, was asked by Linex Limited if he wished to clear a quantity of POLICE eau de toilettes. The letter states that he bought 5,000 bottles for his company, WestEnd Cosmetics, at 43p per bottle. These bottles were sold off through trade counters at 47 Farringdon Road, London in the course of his wholesale trade business. The letter is also headed without prejudice and in confidence. Rather than being an exhibit it is actually primary evidence and should have been entered into the proceedings as such in the normal way ie by means of witness statement, statutory declaration or affidavit. I do not consider that I can give any weight to this letter.

Affidavit of Chandra Patel

19) Mr Patel describes himself as being “of FT Taylor (Pharmacy Newport Pagnell) Ltd”. He states that he received from Ms Mahtani the following:

180 x POLICE eau de toilette
36 x POLICE roll-on deodorant
18 x POLICE maintenance shampoo
18 x POLICE Pure and Gentle Shampoo
1 counter display unit stand.

Mr Patel states that the above samples were received by him on 21 July 2000 for the purposes of testing and retail marketing to his customers. He states that the range of products was displayed in his retail outlet at 5-7 High Street North, London E6 1HS. Mr Patel states that afterwards he reported his observations and the reactions of his customers to the fragrances to Miss Mahtani in a letter; the letter is exhibited at CP1. Mr Patel also exhibits a copy of the invoice relating to the goods and photographs of the displays that were put up at his premises. The invoice makes it clear that it is for product samples only and is of no commercial value. POLICE is prominent in the displays.

Affidavit of Anil Patel

20) Mr Patel states that he is “of S&S Chemists” of Wembley. He states that he received from Miss Mahtani the following:

60 x POLICE eau de toilette
18 x POLICE roll-on deodorant
18 x POLICE Maintenance shampoo
18 x POLICE Pure and Gentle shampoo.

He states that the above samples were received on 8 June 2000 for the purposes of testing the products by way of retail marketing to his customers. Mr Patel states that he displayed the range of products in his retail outlets in both Wembley and Hillside, London. He reported the reaction of his customers to Miss Mahtani in a letter dated 25 August 2000, a copy of which is exhibited at AP1. Mr Patel exhibits photographs of the displays, in which the POLICE trade mark can be clearly seen. He also exhibits a copy

of the invoice relating to the products, this is dated 7 July 2000. The invoice makes it clear that it is for product samples only and is of no commercial value. A letter from Mr Patel is also exhibited which is dated 14 June 2000. In this letter, to Miss Mahtani, he indicates that he would be happy to assist in research and testing of the new product lines. As this letter was written after 8 June 2000, it would seem that Mr Patel would not have received the products on 8 June 2000. Mr Patel exhibits a letter to Miss Mahtani dated 25 August 2000 which comments upon the trial. So the products must have been received and displayed prior to 25 August 2000.

DECISION

21) Section 46 of the Act reads as follows:

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

(c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered;

(d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

(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.

(4) An application for revocation may be made by any person, and may be made either to the registrar or to the court, except that——

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(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 existed at an earlier date, that date.”

Consideration has to be taken, also, of section 100 of the Act which states:

“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.”

22) Consequent upon section 100, the onus is upon the registered proprietor to prove that she has made genuine use of the trade mark, or that there are proper reasons for non-use.

Preliminary Issues

23) Mr Kime raised the issue of the discrepancy between the wording of the statement of grounds of De Rigo and the reliance on section 46(1)(a) of the Act. Paragraph 4 of the statement of grounds states:

“The Applicants believe that the Trade Mark the subject of Registration 2008994 has not been used in the United Kingdom by the Registered Proprietor or with its consent in relation to any grounds for an uninterrupted period of at least five years prior to the date of this application and there are no proper reasons for such non-use.”

This wording clearly relates to section 46(1)(b) of the Act. Mr Kime submitted that owing to this discrepancy the statement of grounds is defective and liable to be struck out. In the alternative he submitted that the case should be judged on the basis of section 46(1)(a) alone. Mr Gill wished the case to be considered on the basis of section 46(1)(b).

24) I noted that the counterstatement states:

“Clause 4 of the Applicants Statement of Grounds is denied as the Registered Proprietor has used the Trade Mark and with her consent since its registration.”

In her statutory declaration Ms Mahtani states:

“I therefore refute the Applicants allegation that I have not been contactable or have not used my trademark since registration of the same.”

In Mr Rose’Meyer’s decision he clearly referred to the ground of invalidation as section 46(1)(a) and even quoted it. It appears to me that the case has gone forward as far as Ms Mahtani and the registrar are concerned on the basis of section 46(1)(a).

25) The five year period for section 46(1)(a) is from 15 December 1995 to 14 December 2000. The five year period for section 46(1)(b) would be from 18 January 1996 to 17 January 2001. On the basis of the evidence I cannot see that the outcome of the case would be effected by either relevant period or any “knock-on” effects from the case being judged on the basis of section 46(1)(a) rather than section 46(1)(b). (See the comments re addition of grounds by Neuberger J in *St Dupont v EI Du Pont de Nemours & Company* [2002] EWCH 2455(Ch). In this case there has been no addition but a clarification.) I also bear in mind that Ms Mahtani’s case has been based on refuting a claim under section 46(1)(a). I, therefore, decided at the hearing that the case would continue on the basis of section 46(1)(a).

26) Mr Kime also raised the issue of the statement of grounds only referring to use and not genuine use. He submitted, therefore, that all Ms Mahtani had to show was use. Section 46(1)(a) of the Act specifically refers to genuine use. It is the only genuine use that is relevant to actions for revocation for non-use. Article 10(1) of First Council Directive 89/104 of December 21, 1988 (the Directive) provides as follows:

“If, within a period of five years following the date of the completion of the registration procedure, the proprietor has not put the trade mark to genuine use in the Member State in connection with the goods or services in respect of which it is registered, or if such use has been suspended during an uninterrupted period of five years, the trade mark shall be subject to the sanctions provided for in this Directive, unless there are proper reasons for non-use.”

Questions of non-use are questions of non-genuine use. The term “non-use” is often a simple shorthand, a short hand that is included in the Directive (see above in the last sentence) and in the Act. Use by Ms Mahtani of her trade mark has to be genuine use, that is what the Directive is about.

27) I advised the sides at the hearing that I did not consider it appropriate to adjourn the hearing to allow a period for appeal against my findings. If they wished to appeal against them they could so do when they received the full decision.

The substantive issue

28) In considering the matters before me I have found it useful to put the facts into a rough chronological order:

23 February 1996 - distribution agreement.

15 July, 25 July, 15 August and 24 December 1996 - invoices from Linex Ltd.

15 August 1997 - Ms Mahtani writes to AA Thornton stating she has exclusive distribution agreement with “a fragrance house”.

1 September 1998 - Ms Mahtani writes to De Rigo:

“Early in 1997 we were contacted by AA Thornton that you were interested in considering the use of the POLICE brand across a range of cosmetic products.

As indicated at the time to them that we were not able to entertain your enquiry as a licensing agreement had already been made with an established fragrance house.

We have tried to phone your offices to no avail and are therefore taking this opportunity to write to you.

Up until recently we had licensed the brand to be marketed in the UK and for the past 2 years this has been promoted in the UK. We have now terminated this agreement and are developing a new range to be marketed directly by us.”

It is to be noted that the letter from AA Thornton that is reproduced says nothing about wishing to licence the trade mark of Ms Mahtani. It is a letter that asks for consent to a class 3 registration by De Rigo, or alternatively asks if Ms Mahtani wishes to assign her trade mark to De Rigo.

14 January 1999 - letter to Modern Europe Ltd asking if it would like “to run with the new collection”.

22 January 1999 - letter to a Mr Balani – states Ms Mahtani is restructuring her strategy for marketing cosmetics and perfumery products under POLICE “after our experience with Linex”.

4 February 1999 - letter from Modern Europe Ltd stating it took an initial order from Linex in August 1996 and sold this to some United Kingdom trade accounts. Effectively the letter states that Modern Europe Ltd does not wish to be involved with the brand.

12 April 1999 - letter to Carlo Diamant, of Citrus By Products, stating that she intends to develop her own range of POLICE fragrances and, therefore, is looking for a reliable supplier of fragrances. She asks if Mr Diamant would consider providing his services as manufacturer and consultant for the oils that she could initially use in the men's line of fragrances to be launched in the United Kingdom. The letter advises that Mr Diamant was recommended by a Mr Choraria. (Mr Choraria signed the letter on behalf of Britannic Business Ltd.)

29 April 1999 - letter from Mr Diamant stating that his company cannot do anything until the end of August and asking for an insight as to the type of individual and market that she is targeting.

18 May 1999 - letter from Ms Mahtani to Mr Diamant stating that time is not critical. She states that she intends developing a comprehensive range of products consisting of eau de toilette, aftershave, deodorants, shampoo and shower gels.

15 September 1999 - letter from Mr Diamant stating that he hopes that Ms Mahtani has received a selection of samples that he sent the previous week. He states that the price range is between US\$ 52 and 75 per kilo.

4 October 1999 - letter from Ms Mahtani to Mr Diamant stating that she has received the samples but that the cost of the products is too high for her targeted market – “the lower end of the spectrum”. She looks forward to receiving a new set of samples with a different smell and using synthetic substitutes.

5 November 1999 - letter from Britannic Business Ltd about its willingness to handle the sales and marketing of POLICE fragrances across the United Kingdom.

20 January 2000 - letter from Britannic Business Ltd stating that all matters relating to the “project” are being dealt with by its holding company.

Affidavit of Mr Patel. States that he received 60 eau de toilettes, 18 roll-ons, 18 maintenance shampoos and 18 pure and gentle shampoos on 8 June 2000. Displayed products at two premises, Wembley and Hillside, London. Letter of 7 June 2000 from Ms Mahtani to Mr Patel re testing her products in his shops. Letter of 14 June from Mr Patel stating that he would be happy to assist in the research. Invoice dated 7 July 2000. Letter of 25 August 2000 from Mr Patel re market response. Photographs shows poster in window and advertising board on counter by which are what looks like EDTs.

6 July 2000 - letter from Ms Mahtani to Mr Navnit of OA Edwards. 17 July 2000 - letter from Navnit Bhai to Ms Mahtani, invoice 20 July 2000: 96 eau de toilettes, 36 roll-ons, 24 maintenance shampoos, 24 pure and gentle shampoos. 7 September 2000 - letter from Navnit Patel re test marketing.

Affidavit of Mr Chandra Patel. States that 180 eau de toilettes, 36 roll-ons, 18 maintenance shampoos, 18 pure and gentle shampoos received on 21 July 2000 for testing and retail marketing. States displayed range at 5-7 High Street North, London E6. He does not state for how long. Letter of 26 June 2000 from Ms Mahtani to Mr Patel about setting up the trial. Invoice dated 21 July 2000. 11 September 2000 letter from Mr Patel re the testing and retail marketing. Comments on the “very limited trial period”. Photos show display on a counter and what look like EDTs on a shelf.

24 June 2000 - letter from Ms Mahtani to “Shabir” at Dubison Ltd. Letter from “Shabir” to Ms Mahtani dated 20 July 2000, invoice - 1 August 2000, 60 eau de toilettes, 24 roll-ons, 12 maintenance and 6 pure and gentle shampoos. 1 September 2000 - letter from “Shabir” re trial. Photo shows small display of eau de toilettes by cash register and bottle, presumably of shampoo, on shelf. Other photographs not clear enough to discern what they are showing.

29) I have decided that I should begin with the clearest findings and facts and then move on to the more problematic areas of the case, honing the matters down as I go along. The box of material, referred to in paragraph 9 cannot assist Ms Mahtani. The material is not linked to a date nor is it linked to any clear usage. It exists but it does not assist in establishing use. The only goods for which use can be shown, and it is another matter if this amounts to genuine use, are: eau de toilette, deodorants for men and shampoo. This use is shown in the Linex Ltd invoices and the marketing exercise. The Linex Ltd invoices indicate that the eau de toilette is for men, however, in the marketing exercise there is no such limit. It is also borne in mind that three of the four Linex Ltd invoices are for export. (It is to be noted that the license agreement does not represent use but a preparation for use – see *Philosophy Inc v Ferretti Studio SRL* [2003] RPC 15.)

30) Mr Kime made reference to the decision of the Court of Appeal in *Gerber Foods International Ltd v Gerber Products Company* [2002] EWCA Civ 1888. However, that case dealt with the concept of bona fide use under the 1938 Trade Marks Act and also preceded the findings of the European Court of Justice (ECJ) in *Ansul BV v Ajax Brandbeveiliging BV* Case C-40/01. At paragraphs 37-39 of its judgment the ECJ states:

“37. It follows that 'genuine use' of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability vis-à-vis third parties cannot continue to operate if the mark loses its commercial *raison d'être*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Article 10(3) of the Directive, by a third party with authority to use the mark.

38. Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark.

39. Assessing the circumstances of the case may thus include giving consideration, *inter alia*, to the nature of the goods or service at issue, the characteristics of the market concerned and the scale and frequency of use of the mark. Use of the mark need not, therefore, always be quantitatively significant for it to be deemed genuine, as that depends on the characteristics of the goods or service concerned on the corresponding market.”

The ECJ decided that internal use and token use to preserve a registration do not amount to genuine use. In this case I do not consider that these issues have a bearing. There is nothing that suggests that Ms Mahtani has made mere token use of the trade mark to preserve its registration, and it has clearly been used externally. There is nothing, to me, that hints of the bogus. Ms Mahtani has been involved in some form of activity in relation to her trade mark from 1996 to 2000 inclusive.

31) Paragraphs 38 and 39 show that the scale of use may be important. According to the final sentence of paragraph 39 use need not be quantitatively significant as that depends on the characteristics of the goods and their market. The corollary of this is that depending on the market the use of the trade mark may have to be quantitatively significant for it to be deemed genuine. This I would suggest is at some remove from the English jurisprudence of *Laboratories Goemar SA v La Mer Technology Inc* [2002] FSR 51 and *Philosophy Inc v Ferretti Studio SRL* [2003] RPC 15 and *Nodoz Trade Mark* [1962] RPC1, cases to which Mr Kime referred.

32) In considering the case Mr Kime submitted that I should take into account that Ms Mahtani is a sole trader. Although there is no direct evidence to this effect, the evidence does suggest that Ms Mahtani is in a small way of business, at least as far as concerns this case. In Advocate General Ruiz-Jalabo’s opinion for the *Ansul* case, he makes it clear that the size of an undertaking is not something that should be taken into account:

“66. Si el objetivo es abrir un hueco en el mercado para los bienes o los servicios que la marca representa, la intensidad del uso para que sea efectivo dependerá, como ya he apuntado, de la naturaleza del bien o del servicio, así como de la estructura y del tamaño del mercado afectado, pero no de la envergadura de la organización empresarial del titular, que es posible que no la explote.

67. Una pequeña empresa puede ser titular de una marca para productos de consumo masivo que requieran una amplia comercialización y verse en la necesidad de entregar su explotación a una organización empresarial con mayores posibilidades; mientras que, por el contrario, una gran compañía puede ser propietaria de una marca con vocación de implantarse en un mercado reducido y especializado, y entregar su explotación a una pequeña organización presente en

ese sector. No hay, pues, correspondencia entre la importancia empresarial del titular de la marca y la índole del uso que se le dé para considerarlo «efectivo.»

(66. If the aim is to open an outlet in the market for the goods or the services that the mark represents, the intensity of use for it to be effective will depend, as I have indicated, on the nature of the goods or of the services, as well as on the structure and size of the relevant market, but not on the size of the undertaking that owns the trade mark, which might not use it.

67. A small undertaking can be the owner of a mark for widely used goods which require a wide commercialisation and sees that it is necessary to combine with a large undertaking with greater resources to exploit the mark, while, on the other hand, a large undertaking can be the owner of a mark which is destined for use in a small and specialist market, and works with a small undertaking already in that sector to exploit the trade mark. There is no correlation between the size of the proprietor of the mark and the kind of use that can be considered to be genuine.” – my translation)

I find no dissonance between the words of the Advocate General and those of the ECJ in paragraphs 37-39 of the *Ansul* judgment. The ECJ refers to the nature of the goods and the nature of the market as the factors that are to be taken into account, not the nature of the owner. The issue of genuine use rests with the nature of the goods and the market.

33) In considering the issue of use I take on board the invoices relating to export, use for export is use and is specifically covered by section 46(2) of the Act. Although, of course it could be that a registration might be limited, as a result of revocation, for export only (and possibly to certain countries for export only). It is also the case that use on samples can be use (see *Philosophy Inc v Ferretti Studio SRL* [2003] RPC 15). I also bear in mind the following from paragraph 37 of the *Ansul* judgment:

“Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns.”

Use of the trade mark can, therefore, be in the form of a marketing campaign.

34) In the letter from Ms Mahtani to Mr Diamant she comments that her products are to be at “the lower end of the spectrum”. The goods which I am considering, eau de toilette, shampoo and deodorant, are mass market goods and Ms Mahtani is specifically targeting the lower end of the market. I consider that this is a mass market. These are products that are in almost every home. The chronological breakdown I give in paragraph 28 shows what can best be described as spasmodic activity; not something that the ECJ rules out for the establishing of genuine use. The high point appears to be the four invoices from Linex Ltd. The next use is the marketing in the summer of 2000. No explanation is given as to how the pharmacies were chosen. I do not know for how long the marketing was carried on, there is the letter from Mr Chandra Patel which states that that it was for a

short period. It is not clear how many products were available. There seems to be some confusion as to the dates of at least the exercises conducted in the premises of Mr Patel in Wembley and Hillside, London. I do not know if there was just one set of products which was moved from one shop to another. The ECJ refers to advertising campaigns, the market testing certainly cannot be characterised as being part of or supported by an advertising campaign. The photographs indicate that at least some of the products were placed on the shelves. However, there is no indication as to the extent of any sales.

35) It is also not possible to state what happened to the goods for export which are the subject of the Linex Ltd invoices. Modern Europe Ltd's letter of 4 February 1999 states that it sold the initial order on to "UK trade accounts". There is no evidence as to what happened to the goods afterwards. It is also to be noted that Modern Europe state that after its initial order it made no further orders.

36) After the end of the Linex Ltd relationship Ms Mahtani made various attempts to get the business going again. However, these represent at best preparations for use and not use and do not seem to have been followed through. The correspondence with Citrus By Products peters out. Nothing seems to have come of the proposed arrangement with Britannic Business Ltd, again it peters out. The activities of Ms Mahtani were infrequent and few, if over a long period of time. It is to be noted that in her letter to Mr Diamant she specifically states that time is not critical.

37) Taking into account the nature of the goods at issue, on the basis of the evidence eau de toilette, deodorants for men and shampoo, and the characteristics of the market concerned, a very large market, and the scale and frequency of use of the mark I do not consider that Ms Mahtani has established that there was genuine use of her trade mark in the period of five years following the date of the registration. I have not found this finding an easy one to make. If the case were one of bona fide use under the 1938 Act part of Ms Mahtani's registration would have stayed on the register, Ms Mahtani would have satisfied the principles set out in *Gerber Foods International Ltd v Gerber Products Company*. However, this is an issue of genuine use and not bona fide use and whilst the latter depends on use for honest purposes the former also requires consideration within a commercial context, on the basis of the *Ansul BV v Ajax Brandbeveiliging* judgment. (On the basis of the evidence Ms Mahtani cannot benefit from the provisions of section 46(3) of the Act.)

38) In considering the use by Ms Mahtani I have borne in mind the comments of Jacob J in *Laboratories Goemar SA v La Mer Technology Inc*:

"However, the smaller the amount of use, the more carefully must it be proved, and the more important will it be for the trade mark owner to demonstrate that the use was not merely "colourable" or "token", that is to say done with the ulterior motive of validating the registration."

As I have said earlier the evidence, in my view, shows that Ms Mahtani's use has not been token. Her actions may have been intermittent but they have been spread over the years and show a clear interest in exploiting her trade mark. More evidence could have

been helpful in relation to the marketing exercise in 2000 and the invoices of Linex Ltd; especially as this is very limited evidence. However, I know that the products sold to Modern Europe Ltd were at least put out to the trade. I am not sure as to how long the goods in the pharmacies, which were part of the marketing exercise, were on display and how many were sold. Nevertheless, I know that there was a marketing exercise in the five pharmacies and that the goods were out on display and that at least certain of them were on shelves with other products for sale.

39) I do not wish to say too much about the box of material that Ms Mahtani exhibited, as I have said above I cannot link this to specific dates or to any specific use. However, I do note that the containers are fairly standard and nothing particularly inventive about the get-up of the product. There are also no bar codes upon the packaging, which are normally used where a product is being commercially exploited. Equally there are no batch code numbers which are normally placed on such products for recall purposes. There is nothing about the samples to suggest that they are anything other than samples, indeed one of them states that it is not for re-sale. There is also no clear evidence of what Ms Mahtani did after the end of her marketing exercise. All she states is that she started marketing a range of products towards the end of 2000. Ms Mahtani does not state what form this marketing took.

40) If I am wrong in deciding that the registration should be revoked in its entirety I think it appropriate to consider what could be left in the specification on the basis of the evidence. Mr Kime argued that goods other than eau de toilette, deodorants for men and shampoo should be left in the specification. He submitted for instance that eau de toilette was perfume and so perfumes should be left in the specification. There has now been a tranche of cases dealing with what should be left in specifications following partial revocation. Aldous LJ in *Thomson Holidays Ltd v Norwegian Cruise Line Ltd* [2002] EWCA Civ 1828 stated:

“In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use.”

I consider that the notional consumer would describe shampoo as shampoo, he or she might describe eau de toilette as perfume or deodorant as antiperspirant. However, I do not consider in this case I need to worry about such matters. The problem in partial revocations normally occurs where a portmanteau term includes specific goods or services for which use has been shown. In this case the actual goods are referred to in the specification. It would defy logic to then allow other terms for which there is no proof of

use to remain in. Eau de toilettes are perfumes but not all perfumes are eau de toilettes and some deodorants are antiperspirants but not all antiperspirants are necessarily deodorants. The specific goods are in the specification and so I see no need to go any further. The only question I have is whether the deodorants should be limited to being for men. I can see no real reason not to do so. There are deodorants for both sexes, however, in my experience there are deodorants which are sold specifically for men and the notional consumer would describe them as such.

41) Consequently, if I am wrong in deciding that the registration should be revoked in its entirety, the specification would need to be reduced to eau de toilette, deodorants for men and shampoo.

42) Mr Gill submitted that I should order costs off the scale owing to the actions of Ms Mahtani. There was a problem with the initial evidence that required an interlocutory hearing. However, Mr Rose-Meyer awarded costs for that hearing. I can see nothing in this case which suggests that I should not follow the normal scale and will so do.

43) De RIGO SpA having been successful it is entitled towards a contribution towards its costs. I order Ms R Mahtani to pay De RIGO SpA the sum of £1400. This sum is 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 18th day June 2003

**David Landau
For the Registrar
the Comptroller-General**

TRADE MARKS ACT 1994

**SUPPLEMENTARY DECISION
IN THE MATTER OF REGISTRATION NO 2008994
IN THE NAME OF R MAHTANI**

**AND THE APPLICATION FOR REVOCATION THEREOF
UNDER NO 12215
BY DE RIGO SPA**

**TRADE MARKS ACT 1994
In the matter of registration no 2008994
of the trade mark POLICE
in the name of R Mahtani
and the application for revocation thereof
under no 12215
by De RIGO SpA**

1) On 18 June 2003 I issued a decision, BL 0/165/03 in respect of the above proceedings , I decided that the registration should be revoked in its entirety. However, I did not give a date from when the registration should be revoked. Section 46(6) of the Act reads as follows:

“(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.”

2) In this case the revocation was under section 46(1)(a). Consequently, I consider that it is appropriate that the registration should be revoked from 15 December 2000.

Dated this 19th day of June 2003

**David Landau
For the Registrar
the Comptroller-General**