

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 12007
BY FINNING (UK) LTD FOR REVOCATION OF
REGISTRATION No 1154567 STANDING IN THE NAME
UNITED PARTS FHS AUTOMOBIL SYSTEME GMBH**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No 12007
by Finning (UK) Ltd for Revocation of
Registration No 1154567 standing in the name
United Parts FHS Automobil Systeme GmbH**

DECISION

1. The trade mark FHS is registered in the name of United Parts FHS Automobil Systeme GmbH (previously FHS Stahlverformung GmbH) for "Parts included in Class 12 of transmission mechanisms; ball joints and tie rods, all being parts of steering mechanisms; gear shift levers and knobs therefor; overriders; all for land vehicles; seat cushions adapted for land vehicles; parts and fittings included in Class 12 for all the aforesaid goods."
2. The registration is numbered 1154567.
3. On 16 October 2000 Finning (UK) Ltd applied for this registration to be revoked under the terms of Section 46(1)(a) and/or (b) on the basis that the mark in question had not been put to genuine use for a period of five years prior to the filing date of the application for revocation. Revocation is sought from the date of the application for revocation or from an earlier date if the Registrar sees fit. I take this latter reference to relate to the Section 46(1)(a) ground though the actual wording of the statement of grounds leaves some room for doubt.
4. The registered proprietors filed a counterstatement denying the above grounds, referring to use of their mark and asking for the action to be dismissed. They also refer to the exercise of discretion. It was held in Premier Brands UK Ltd v Typhoon Europe Ltd [2000] ETMR 1071 that there is no discretion in the matter.
5. Both sides ask for an award of costs in their favour.
6. Both sides filed evidence. Neither side has asked to be heard. Written submissions have been filed on behalf of the applicants for revocation under cover of a letter from Field Fisher Waterhouse dated 2 April 2002. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

DECISION

7. The relevant statutory provisions are to be found in Section 46(1) of the Act which reads

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

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

and Section 100

"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."

8. The burden of proving use thus rests with the registered proprietors. No reliance is placed on 'proper reasons for non-use' in the circumstances of this case.

9. The evidence in this case is as follows

Registered Proprietors' Evidence

Statutory Declaration of Stephen Gerard David McCoy with Exhibits SGDM1 - SGDM5

Second Statutory Declaration of Stephen Gerard David McCoy

Applicants' Evidence

Witness Statement by Cheng Foong Tan with Exhibit CFT1

10. The applicants' evidence exhibits a short investigators' report which failed to reveal any relevant information on the company FHS Stahlverformung. I note that Mr Tan in his covering witness statement refers to the investigations failing to reveal any details concerning the owner of the trade mark in suit. It is not entirely clear whether or to what extent enquiries were directed to the mark itself. Furthermore I note that the company name is no longer FHS Stahlverformung GmbH but United Parts FHS Automobil Systeme GmbH.

11. Mr McCoy who gives evidence for the registered proprietors is the Managing Director of United Parts Driver Control Systems (UK) Ltd, an affiliate of the registered proprietors. Both companies are subsidiaries of Teleflex Inc, a US incorporated body. Mr McCoy's evidence is that the registered proprietors supply his company with assembly components and systems being driver and cable control systems predominantly for motor vehicles. The substance of his declaration is as follows

"3. The Registered Proprietor supplies goods from Germany to my Company for the

purposes of UK assembly and distribution. In particular it supplies a rigid plastic gearshift housing which shows the trade mark "FHS" as an integral part of the moulding. The part number for this article is 8026582300. This article is now produced and shown to me marked exhibit "SGDM1" (hereinafter referred to as "the Gearshift Housing").

4. The Gearshift Housing forms part of a fully assembled gearshift mechanism (hereinafter referred to as "the Mechanism"). My Company supplies the Mechanism to Vauxhall Motors. These Mechanisms are included on all manual gearbox Astra cars and Vectra cars assembled in Europe and the United Kingdom.
5. The Mechanism was also previously used by Vauxhall in their Cavalier cars. The part used (part number 8026574301) was a slightly different model (hereinafter referred to as "the Prior Gearshift Housing") to that supplied to the Astra and Vectra cars. This Prior Gearshift Housing also shows the FHS mark and this article is now produced and shown to me marked Exhibit "SGDM2".
6. By supplying these goods to my Company in the United Kingdom as described above, the Registered Proprietors have used the trade mark "FHS" in the United Kingdom for the last 15 years. From 1986 to 1991 the Registered Proprietor supplied the Gearshift Housing to Vauxhall directly. From 1991 to date the Registered Proprietors supply the Gearshift Housing to my Company, who assemble the Mechanism and distribute them to Vauxhall.
7. There is now produced and shown to me marked exhibit "SGDM3" copies of 4 invoices dating from January 1998 to January 2001. These are standard examples of invoices used in the supply of the Gearshift Housings from the Registered Proprietor to my Company. These show the supply of the Gearshift Housings from the Registered Proprietor to my Company. These show the supply of the marked Gearshift Housing (part number 8026582300) to the United Kingdom from the Registered Proprietors in Germany and indicate the trade mark "FHS" which is used in relation to the Gearshift Housing. Three of these invoices show my Company's previous address (being Redfern Park Way, Birmingham, B11 2BF), which was changed to our current address on 13th January, 2000.
8. There is now produced and shown to me marked exhibit "SGDM4" a copy of an invoice dated 29th August, 1997. This shows the supply of the Prior Gearshift Housing for the Vauxhall Cavalier (part number 8026574301) into the United Kingdom from the Registered Proprietors in Germany and indicates the trade mark "FHS".
9. There is now produced and shown to me marked exhibit "SGDM5" a copy of a label which was attached to a batch of Gearshift Housings sent to my Company by the Registered Proprietor which also displays the "FHS" mark and the part number

for the Gearshift Housing (8026582300). This is a standard example of the labels that accompany the Gearshift Housing when they are imported into the United Kingdom, which all display the "FHS" trade mark.

10. My Company sells approximately 200,000 of the Mechanisms containing the Gearshift Housing to Vauxhall Motors each year, which means that approximately 200,000 of the Gearshift Housings are imported into the United Kingdom under the "FHS" mark each year. The approximate annual sales turnover of the Mechanisms sold is £2,000,000. This figure forms part of the total business between the United Parts Group and General Motors / Vauxhall in Europe, which totals £8,000,000 - 10,000,000 per annum."

12. Mr McCoy's second declaration deals with a suggested discrepancy between the part number on Exhibit SGDM1 and the number referred to in his first declaration. The applicants have not taken issue with the explanation and I cannot for my part see that the matter affects the outcome of the case.

13. There are, however, significant problems with the registered proprietors' evidence or, more particularly, the accompanying exhibits. Exhibits SGDM1 and 2 are photographs of the gearshift housing and 'prior' gearshift housing. If the mark FHS appears on any of the four photographs it is not immediately apparent. That in itself might not be fatal to the registered proprietors' case as the use that must be shown is 'in relation to the goods' (the Directive on which the Act is based uses the phrase 'in connection with the goods' in Article 12). Both the Directive and the Act appear therefore to recognise that a mark may not always appear on the products themselves but may manifest itself in other ways consistent with the proprietors' intention to associate the mark with his goods.

14. That brings me to the invoice evidence at SGDM3 and 4. There are five invoices running from 29 August 1997 to 2 January 2001. The last of these is after the filing date of the application for revocation. The remainder fall within the relevant period. The invoices have bilingual headings for most of the individual boxes. The part number and product description are shown (boxes 28 and 29) - the latter being described as 'Gehäuse Z-Schaltung O Housing' or 'BG Gehäuse T-3000'. The letters FHS or fhs do appear but not in relation to the product description itself. It appears in box 26 which is headed "Abladestelle/Unloading location". No explanation is offered as to why a trade mark should appear in this box. The registered proprietors' current and previous company names contained the letters FHS. It would not be unexpected, therefore, if FHS referred to an unloading location in the sense of a company name/address in the UK. But that is not a wholly satisfactory explanation because the UK addressee is Mr McCoy's company, United Parts Driver Control Systems (UK) Ltd.

15. Taking the documents at face value I do not see how I can reasonably conclude that FHS shown as the 'unloading location' should be taken as indicating that this mark was necessarily being used on or in relation to the goods as a trade mark.

16. The final exhibit is SGDM5 being a label attached to a batch of gearshift housings. The label is

in German and addressed to United Parts, Birmingham. It bears a number which corresponds to that said to be used on products bearing the mark FHS. Box 2 on the label contains the following "Abladestelle/Lagerort/Verbrauchsstelle/Verw-Schlüssel - fhs". No translation of the German text has been offered. However I note that 'abladestelle' is the same word as appears on the invoices where it is said to mean unloading location. Again no explanation is offered as to why, if FHS/fhs is being used and referred to as a trade mark, it should appear in a box seemingly headed 'unloading location'.

17. This is a somewhat unsatisfactory state of affairs. Mr McCoy gives evidence that some 200,000 gearshift housings are imported into the UK under the mark FHS each year. It may be a somewhat 'closed' business in the sense that there is a single customer but an annual sales value of £2 million per annum suggests that this is a significant trade. Had the evidence clearly shown use of the mark on or in relation to the goods I would have had no hesitation in concluding that it was genuine use in relation to gearshift housing mechanisms. The difficulty, as will be apparent from my above review, is that the evidence does not clearly and unambiguously show that the mark has been used on or in relation to the goods. It might have been possible for the registered proprietors to correct or explain the circumstances noted above but they have not done so.

18. In *Laboratoires Goemar SA v La Mer Technology Inc* (Case No CH 2001 APP 010568/9) Mr Justice Jacob noted that "the smaller the amount of use, the more carefully must it be proved". Although the claimed sales here are by no means small I do not think that can relieve the registered proprietors of the need to demonstrate that the mark has been used in the manner claimed.

19. Also in the *Laboratoires Goemar* case Mr Justice Jacob said

"In the present cases, use was not proved well. Those concerned with proof of use should read their proposed evidence with a critical eye - to ensure that use is actually proved - and for the goods or services of the mark in question. All the t's should be crossed and all the i's dotted."

20. The evidence here falls short of doing so. I go on to consider the consequences.

"(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."

21. As the registered proprietors have failed to show use under the mark at any time "following the date of completion of the registration procedure" I take the view that revocation must take effect from the date five years following the completion of that process. The registration certificate was issued on 28 July 1986 and notification of registration was subsequently published in *Journal* 5636. The registration will, therefore, be revoked in its entirety with effect from 28 July 1991.

22. The applicants have been successful and are entitled to a contribution towards their costs. I order the registered proprietors to pay them the sum of £1500. 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 30th day of April 2002

**M REYNOLDS
For the Registrar
the Comptroller-General**