

O/212/03

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 80101
BY NICHOLAS ANDREW BARKER, MARGARET GILMOUR BARKER &
HYGIECO LIMITED FOR A DECLARATION OF INVALIDITY
IN RESPECT OF TRADE MARK No. 2212082
IN THE NAME OF BARCLAY-SWANN LIMITED**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No. 80101
by Nicholas Andrew Barker, Margaret Gilmour Barker
& Hygieco Limited for a declaration of Invalidity in
respect of Trade Mark No. 2212082 in the name of
Barclay-Swann Limited**

Background

1. Trade Mark No 2212082 is for the mark HYGIECO and is registered in Class 16 for “Paper and paper products”.
2. The mark stands registered from a filing date of 22 October 1999.
3. On 8 October 2001 Nicholas Andrew Barker, Margaret Gilmour Barker and Hygieco Limited applied for invalidation of the trade mark registration on the following grounds:
 - (i) Under Section 47(2)(b) of the Act because there is an earlier right in relation to which the condition set out in Section 5(4) is satisfied, in particular Section 5(4)(a) in that use of the mark in suit is liable to be prevented by the law of passing off.
 - (ii) Under Section 47(1) of the Act in that the mark was registered in breach of Section 3(6) as the application was made in bad faith.
4. The registered proprietor filed a counterstatement denying the grounds of invalidity. Both sides have filed evidence and asked for an award of costs in their favour. The matter came to be heard on 15 July 2003 when the applicants were represented by Mr Arnold of Queens Counsel instructed by Dummett Copp and the registered proprietor was represented by Mr Wyand of Queens Counsel instructed by Chancery Trade Marks.

Applicants’ Evidence

5. This consists of a witness statement by Peter Alan Gemmell dated 7 January 2002 and a statutory declaration by Nicholas Andrew Barker also dated 7 January 2002.
6. Mr Gemmell is a chartered patent agent and a partner in Dummett Copp, the applicants’ professional advisors in these proceedings.
7. Mr Gemmell states that on 9 August 2001, as part of a sequence of correspondence before the current proceedings, his firm wrote a letter to the Trade Mark Agents acting for the registered proprietor and provided evidence of two instances of confusion within the trade resulting from use of the HYGIECO trade mark by the

registered proprietor. Copies of this letter and enclosures are attached to Mr Gemmell's statement. The letter of 9 August includes the following:

“We enclose copies of two letters from people in the trade which clearly demonstrate that confusion has occurred”

and the two letters in question originate from N.P. Services and Breckland Hygiene Supplies, both trade competitors of the applicants.

8. Mr Barker is a partner in Property Care group, a partnership which he founded with his wife in 1986 and which began business in commercial cleaning and ground maintenance. He is also a director in Hygieco Limited which began trading in March 2001 following which, in July 2001, the goodwill in the Hygieco name was assigned to the company.

9. Mr Barker explains that from its inception in 1986, the Partnership began purchasing equipment for dispensing towels and the like. This equipment was sold or hired out to third party customers by a division of the Partnership that later began trading under the trade mark HYGIECO (hereinafter “the Trade Mark”). He adds that he coined the Trade Mark in early 1991 and in June 1991, he instructed his accountant, Mr R A Beaton, of Beatons Chartered Accountants, to register Hygieco as the name of a limited company. Hygieco Limited was incorporated on 13 June 1991 under the No 2619964 and at Exhibit 1 to Mr Barker's declaration is a copy of the Certificate of Incorporation for the Company, and a copy of a Certificate of Registration for VAT for the Partnership, issued on 22 May 1992.

10. Mr Barker states that the applicant has used and promoted the trade mark in relation to paper products, washroom services and related products since the trade mark HYGIECO was first coined, continually and up to the present day. Promotion of the trade mark has included, among other things, flyers and at Exhibit 2 to Mr Barker's declaration is a mailing flyer, the first mailing flyer used by the applicants, which was circulated to prospective customers in Eastern Counties during 1992. He adds that, as can be seen from the flyer, the services provided under the trade mark include the provision of vending machines and dispensers for paper towels, toilet rolls and soap for washrooms and the service also includes refilling these dispensers at regular intervals, which involves the supply of, among other things, paper products such as toilet rolls and paper towels.

11. Mr Barker goes on to state that in May 1991, he commissioned a moulding company, Mailbox Mouldings Limited, to produce a plate bearing the trade mark and a diamond device and at Exhibit 3 to his declaration are copies of correspondence relating to the commissioning of the manufacture of this plate and an invoice in respect of the work, dated between April and June 1991. He explains that this plate was used to mould the trade mark and device into plastic products made for the applicants, and examples of such products are shown in Exhibit 4 to his declaration, namely images of plastic bins for use in washrooms for sanitary towel and tampon disposal.

12. Turning to the promotion of the mark, Mr Barker states that he has advertised the trade mark in relation to washroom services and related products in the Yellow Pages

continuously since 1995 up to the present day in the Colchester, Peterborough, Cambridge, Southend, Harlow, Norwich, Watford/St Alban and Bedford regions and at Exhibit 5 to the declaration are copies of advertisements from the Yellow Pages for the Peterborough and Colchester areas for the years between 1995 and 2001. At Exhibit 6 to Mr Barker's declaration is a copy of a Confirmation of Ad Programme from Yellow Pages. The schedule included with the letter shows that adverts were included in the Sanitary hygiene services sections of editions of the Yellow Pages in Colchester, Southend, Peterborough, Norwich, Harlow, Watford/St Alban and Bedford. Mr Barker adds that since 1998 he has advertised his washroom services under the trade mark on the Yellow Pages website www.Yell.com, which is accessible throughout the United Kingdom. A copy of the registration questionnaire for this service and a copy of the webpage advertising the trade mark for washroom services is included as Exhibit 7 to Mr Barker's declaration. He goes on to refer to Exhibit 8 to the declaration, which comprises brochures produced by the applicants in 1995-1998. The brochures detail the range of services provided under the trade mark and on the first page also show the paper products supplied by the company. These paper products include various centre-feed wiping rolls, folded hand towels and toiled rolls. Mr Baker continues by stating that related products supplied by the applicants include sanitary towels and tampons, nappies and other machine vendible items.

13. Mr Barker declares that the applicant owns a fleet of vans in which employees travel to locations at which they are to service washrooms and that in 1997 a livery was added to the fleet of vans which prominently displays the trade mark and lists some of the goods and services available, including paper products. At Exhibit 9 are photographs of the fleet of vans owned by the applicants and photographs of a van from the fleet on location at the Euro tunnel UK Terminal. It can be seen from the photographs, the trade mark is displayed. Mr Barker goes on to state that the applicant has provided dispensers and bins carrying the trade mark in washrooms since the trade mark was first coined and that these dispensers and bins have carried the trade mark either integrally moulded or by means of stickers affixed on the products. As Exhibit 10 to the declaration are copies and examples of several sample stickers or designs similar to those that were applied to the dispensers, bins etc provided for washrooms which include the trade mark.

14. To illustrate the applicants' activities, Mr Barker states that the washrooms at the Euro tunnel UK Terminal are serviced and supplied under the trade mark and at Exhibit 13 to his declaration is a list of the equipment supplied to the terminal for installation into the washrooms in July 1995 and at Exhibit 14 to his declaration are photographs of vending machines in washrooms at the Euro tunnel UK Terminal bearing the trade mark. He adds that the applicant has also sponsored a print that hangs within the terminal building and at Exhibit 15 to his declaration are three pictures showing the sponsored print in the terminal building which it is stated has been in place for at least six years. Next, Mr Barker refers to Exhibit 16 to this declaration which is a copy of the washroom care agreement for M&M Components dated 24 July 1995, a copy of the delivery note dated 24 July 1995 and pictures of the washroom dispensers, including a paper towel dispenser, delivered on that date. He points out that both the agreement and the delivery note display the trade mark, and that the dispensers include stickers bearing the trade mark. At Exhibit 17 to his declaration Mr Barker draws attention to samples of copies and original customer correspondence, Washroom Care Agreements, Service Orders and Delivery Notes for

customers in places such as Norfolk, Suffolk, Cambridgeshire, Lincolnshire, Gloucestershire, West Yorkshire, Middlesex, Kent, Essex and London. He adds that these documents display the trade mark in relation to the goods and services. The Washroom Care Agreements have been signed and dated by the customers to indicate that they agree with the terms and content of the document and that the applicant must supply the refills for the dispensers provided. The dates of the documentation range from 1991 to 2001. Furthermore, at Exhibit 18 to his declaration Mr Barker provides samples of headed paper and a business card all bearing the trade mark Hygieco as used by the applicants.

15. Mr Barker declares that at the present time the applicant has about 930 customers who receive goods and services regularly under the trade mark and that while most of the customers are based throughout the Eastern Counties and London, the applicant also services customers in other areas, including Scotland, Somerset, Cheltenham, Milton Keynes, and Leicestershire. He adds that many of these customers have been serviced under the trade mark for several years and that all these customers are aware of the use of the trade mark in connection with the goods and services supplied because of the use of the trade mark on the agreements signed (as evidenced by Exhibit 17), letters sent and the labelling on the products. He states that the customers include NHS Hospitals, the Air Force and Euro tunnel as well as private hospitals and nursing homes and that other customers are based in London and include Heathrow Airport, Reuters, and the Foreign Office. Agreements and copies of orders or invoices for such clients are included in Exhibit 17 to his declaration.

16. Mr Barker explains that since the trade mark was first used in relation to washroom services and paper products in 1991, the use of the trade mark and the business conducted under the trade mark has increased substantially. He sets out the following figures for the turnover of goods and services under the trade mark since 1991, (financial years from May to April):

YEAR	Turnover Figures (£)	
	Paper Disposable	Washroom Services
1991	15,192.85	14,495.80
1992	26,384.12	43,589.32
1993	32,304.84	70,104.75
1994	32,429.71	89,543.46
1995	26,509.47	112,479.46
1996	27,443.10	138,858.52
1997	35,912.11	175,602.00
1998	35,024.06	255,363.52
1999	49,827.43	350,488.68
2000	44,671.35	452,471.74
2001	26,000.00	324,000.00

and he explains that he has used the term “Washroom Services” for all goods and services provided under the trade mark except for disposable paper products which are detailed separately. The figures for 2001 are for the period May to November.

17. Turning to an instance of confusion, Mr Barker states that in January 2001 he received an angry communication from Mr Melvyn Rose, Area Sales Manager for NP

Services, informing him that Mr Rose was very upset with the applicant because he had found some products from the applicant on the premises of one of his customers. He explains that the applicant and NP Services have traded as friendly competitors since the early 1990's and have always respected one another's customers. Mr Barker states that he was surprised and confused at this allegation as he was not aware that the applicants were supplying any NP Services customers. While Mr Barker initially dismissed the incident as an error, it later became clear that Mr Rose had seen boxes carrying the trade mark and had assumed that they had originated from the applicants. Mr Barker adds that when the confusion was resolved Mr Rose wrote a letter dated 31 July 2001 to explain what had happened and the letter is included as Exhibit 19. Mr Rose has also supplied a Witness Statement to confirm his confusion and this is included as Exhibit 20 to Mr Barker's declaration. Mr Barker then goes on to refer to a second incident and he explains that in June 2001 he visited his accountant Mr Roger Beaton, who informed him that one of his clients had brought files to his office in one of the company's boxes. Mr Barker states that he was very surprised at this because his company does not currently supply goods in boxes marked with the trade mark. He asked to see the box and on inspection the box did bear the trade mark. Exhibit 21 to Mr Barker's declaration is a Witness Statement made by Mr Beaton describing the way in which he was confused.

18. Mr Barker declares that in June 2001, he received a phone call from Paul Howard, General Manager of Breckland Hygiene Services (BHS) a competitor selling into the same market place. Mr Howard informed Mr Barker that he had, on more than one occasion seen products from the applicant in the market place. Mr Barker stated that when it had been explained that there must have been a mix up, he received a letter dated 30 July 2001 explaining the situation. This letter is included as Exhibit 22 to the Declaration and a Witness Statement from Mr Howard confirming the situation is included as Exhibit 23.

19. Mr Barker then states that the products seen by Mr Rose and Mr Howard were not supplied by the applicants, but were supplied by an unrelated company called Barclay-Swann, trading as Economed.

20. Mr Barker goes on to explain that on 15 December 2001 the applicants received a phone call from Bridget Townsend, Purchasing and Logistics of Systems Communications and Networks (SCN) Limited, requesting hand towels and toilet rolls, both of which are supplied under the trade mark. The part numbers ED 6300 and SC 3932 quoted with the order were not recognised by the applicants but the order for the products was fulfilled. It transpired that the part numbers are from the Economed Catalogue under the Hygieco Range of Paper Products. Exhibit 24 to Mr Barker's declaration comprises copies of pages from the Economed catalogue including the part numbers that were referred to during the order and a Witness Statement from Bridget Townsend confirming the circumstances surrounding the position is attached as Exhibit 25 to Mr Barker's declaration.

21. Mr Barker adds that the applicants recently discovered that a dental practice which has been a customer of their since 1993, and which the applicants service every four weeks under the HYGIECO trade mark has been sold goods by Barclay-Swann Limited carrying the trade mark. Mr Barker draws attention to copies of documentation relating to these matters at Exhibit 26 to his declaration.

22. Mr Barker concludes by stating that the name Hygieco has been used continuously since 1991 in relation to washroom services and the supply of, *inter alia*, paper products by the applicants. At Exhibit 27 to his declaration is a list of the applicants' customers broken down into different categories relating to medical, dental, nursing, surgical and related areas. Mr Barker submits that the Hygieco name has substantial goodwill attached by virtue of repeat customers and extensive advertising and that there is evidence of confusion of those within the trade, those connected with the business carried out under the Hygieco name and consumers as to the origin of products bearing the Hygieco name. He states that such confusion in the mind of consumers, may have already damaged the reputation and business of the applicants carried out under the Hygieco name and continued use of the Hygieco name by Barclay-Swann Ltd (t/a Economed) will inevitable cause future damage.

Registered Proprietor's Evidence

23. This consists of a witness statement by Sally Anne Schupke dated 6 September 2002 and two statutory declarations, one from Alastair Ashworth and one from Michael Tuckley, both dated 16 May 2002.

24. Mr Ashworth is the Company Secretary of Barclay-Swann Limited, the applicant company.

25. In relation to the applicants' assertion that the mark in suit was applied for in bad faith, Mr Ashworth states that at the time of application his company did not know of any use of the name and mark HYGIECO by the applicants for invalidity and he denies that the application to register the mark in suit was made in bad faith.

26. Mr Ashworth explains that in January 2000 his company coined and adopted the trade mark HYGIECO for use on all their paper and paper products and this name was chosen because it was a cross between the word "hygiene" and the word "economy". He adds that his company has used the mark since January 2000 throughout the UK.

27. Mr Ashworth provides the following figures which relate to the advertising of the mark in the UK –

January 2000 to December 2000	£86,000
January 2001 to December 2001	£68,000

28. Mr Ashworth confirms that his company places advertisements in the following publications which all show the trade mark HYGIECO : Professional Beauty, The Guild News, Health and Beauty, Massage World, European Journal of Complimentary Medicine and Spa Plus. His company also send out regular mail shots to vets, acupuncturists, therapists, aroma therapists, chiropractors, beauty therapists, colleges, chiropodists, funeral directors, family planner, herbalists, home car services, health and fitness, nursing agencies, nursing homes, osteopaths, occupational health, physiotherapists, residential care, reflexologists, tattooists, hairdressers which total 11,000 customers in all. Mr Ashworth attaches as exhibit "AA1", samples of advertisements in the above publications showing use of the trade mark HYGIECO in relation to his company's products.

29. Mr Ashcroft submits that the business of his company is completely different from the applicants' business as they appear to be involved in supplying various types of waste bins, air freshening apparatus, wall mounted reading machines, sanitary bins and detergent dispensing apparatus, being a specific service to business. In Mr Ashcroft's view the stickers the applicants' place on vending machines merely shows that the vending machine or apparatus is installed and/or serviced by the applicants. Mr Ashworth concludes that since the beginning of 2000 his company has built up a substantial reputation in its own right in the mark HYGIECO in relation to paper and paper products.

30. Mr Tuckley is the Managing Director of Barclay Swann Limited, the registered proprietor.

31. In relation to the applicants' assertion that the mark in suit was applied for in bad faith, Mr Tuckley states that at the time of application his company did not know of any use of the name and mark HYGIECO by the applicants for invalidity and he denies that the application to register the mark in suit was made in bad faith.

32. Mr Tuckley confirms that in January 2000 his company coined and adopted and used the name HYGIECO for use on all its paper and paper products. He attaches at Exhibit "MT1" to his declaration, samples of products in Class 16 which bear his company's name and the trade mark HYGIECO. Mr Tuckley adds that his company also sells other products, including beauty products and latex gloves under the mark.

33. Mr Tuckley sets out the following sales figures relating to sales of goods in Class 16 sold under the HYGIECO trade mark:

January 2000 to December 2000	£544,000
January 2001 to August 2001	£610,000

and he attaches as exhibit "MT2" to his declaration a folder showing sales, brochures and promotional materials illustrating the use of the trade mark in relation to the products registered under No 2212082.

34. Turning to the promotion of the mark, Mr Tuckley sets out figures relating to advertising the trade mark in relation to the Class 16 products:

January 2000 to December 2000	£ 86,000
January 2001 to December 2001	£ 68,000

35. Like, Mr Ashcroft before him, Mr Tuckley submits that his company's business is completely different from that of the applicants. At Exhibit "MT3" to his declaration, Mr Tuckley attaches copies of materials produced by the applicants for invalidity which, he says, show that they offer an installation and maintenance service to customers but the vending products supplied are all branded with the manufacturers names.

36. Mr Schupke is a trade mark agent employed by Chancery Trade Marks, the agents representing the registered proprietor in this case.

37. Ms Schupke attaches as Exhibit "SAS1" to her witness statement, statements from the following UK companies, to the effect that the trade mark HYGIECO is known to them and is associated by them with the registered proprietors:

Bambos Hair & Beauty Clinic
The Carlton Institute of Beauty Therapy, Exmouth, Devon
Susan Molyneux, Cheltenham Spa, Gloucestershire
Tamworth & Lichfield College, Tamworth, Staffordshire
Abi'z Hair & Beauty, Spalding, Lincolnshire
JonAcc Supplies Service, Romford, Essex
Mr G C Elias, Long Sutton, Lincolnshire
Long Sutton Veterinary Surgery, Long Sutton, Lincolnshire

Applicants' Evidence in Reply

38. This consists of a further witness statement by Nichols Andrew Barker which is dated 15 October 2002.

39. Mr Barker states that the registered proprietor's declarants Mr Ashworth and Mr Tuckley are incorrect when they assert that the applicants' and registered proprietor's businesses are completely different and that the applicants do not use the HYGIECO trade mark in relation to the goods they provide. Mr Barker adds that, while it is true that a number of products provided to customers by the applicants, do not contain the Trade Mark that does not mean that the applicants do not use the trade mark in relation to those goods and the applicants are the immediate trade origin of the goods and the customers associate the trade mark with the applicant's supply of goods.

40. Mr Barker declares that since their adoption of the trade mark in 1991 and continuously until the present day, the applicants have sold a wide range of paper products under the trade mark and that these paper products do not carry any other brand name. He goes on to state that as far as customers are concerned they are purchasing HYGIECO products from Hygieco.

41. Mr Barker draws attention to Exhibit "NB1" to his statement which comprises copies of two Aock control cards. He explains that one card is for the code number NP2203, for "mini centre feed blue" rolls. Stock entries are listed for May to August 1995. The other card is for a toilet tissue product referred to as "Mini-Minor Jumbo". Stock entries are listed from 1 May 1995 to 21 March 1997. This product had the old code number NP 4351, which was subsequently changed to code PG200, and is currently Code PU003. Each unit is a twelve-pack of toilet tissue in nine inch wide rolls. He adds that Exhibit NB2 to his witness statement is a copy of a set of stock control cards from 1997, which illustrate the range of paper products sold by the applicants. These products were all provided by the applicants in boxes without any third party trade marks. Furthermore Mr Barker states that as previous evidence shows, the trade mark was used by the applicants on the paperwork for the product orders, on correspondence, invoices, and washroom care agreements relating to these products and he adds that, as shown in Exhibit 9 to the statutory declaration of 7 January 2002, since 1997 all the applicants' paper products have also been delivered in liveried vans which prominently carry the trade mark and which list paper products as being supplied under the trade mark.

42. Finally at Exhibit NB3 to his witness statement Mr Barker attached copies of pages from the Registered Proprietor's catalogue, listing (in highlighted text) what he claims are equivalent or near-equivalent product codes of the applicants. Mr Barker adds that also in Exhibit NB3 is a copy of the applicants' current price list for their paper goods (with prices blanked out). He states that none of the applicants' paper goods which are highlighted in the price list, carry any third party brand names and that most of the highlighted products carry a sticker bearing the HYGIECO trade mark and the applicants' re-order code and phone number.

43. This completes my summary of the evidence filed in this case. I now turn to the decision.

Decision

44. Prior to the Hearing Mr Arnold made it clear that the applicants were not pursuing the Section 3(6) ground.

45. I turn to the Section 5(4)(a) ground. Section 5(4)(a) reads as follows:

“5.-(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.”

46. The law on the common law tort of passing off is clearly set out by Geoffrey Hobbs QC, acting as the appointed person, in *Wild Child* [1998] 14 RPC, 455:

“A helpful summary of the element of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (with footnotes omitted) as follows:

- (a) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (b) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
- (c) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

The restatement of the element of passing off in the form of this classical trinity has been referred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition of 'passing off', and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

47. Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely, the courts will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective field of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and
- (e) the matter in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action."

48. Thus, to succeed in a passing off action, it is necessary for the applicants to establish that at the relevant date (22 October 1999) (i) they had acquired goodwill under their mark, (ii) that use of the applicant's mark would amount to a misrepresentation likely to lead to confusion as to the origin of their goods; and (iii) that such confusion is likely to cause real damage to their goodwill.

49. Section 72 of the Act is also relevant to these proceedings. It states:-

“S.72 - In all legal proceedings relating to a registered trade mark (including proceedings for rectification of the register) the registration of a person as proprietor of a trade mark shall be prima facie evidence of the validity of the original registration and of any subsequent assignment or other transmission of it”.

50. Accordingly, the onus is upon the applicants to show that at the relevant date the mark in suit was registered in breach of Section 5(4)(a).

51. I now go on to assess the evidence filed and submissions made in respect of these proceedings. I will consider the issue under the three main headings of Goodwill, Misrepresentation and Damage.

Goodwill

52. The applicants for invalidation declare that they have used the trade mark HYGIECO since 1991 in relation to washroom services and paper products. In his statutory declaration of 7 January 2002, Mr Barker sets out separate turnover figures in relation to disposable paper products and washroom services (paragraph 16 of this decision refers). For the financial year ended 30 April 1999, the last full year of trading preceding the relevant date in these proceedings ie 22 October 1999, the applicant's turnover in paper products amounted to £49,827, which compares to their washroom services turnover figure of £350,488.

53. At the hearing Mr Arnold drew my attention to a number of supporting exhibits to Mr Barker's evidence which he submitted, clearly demonstrate the applicants use of the HYGIECO mark in relation to paper products, including in particular:

- (i) Exhibit NAB2 to Mr Barker's declaration of 7 January 2002 – a mailing flyer circulated in 1992 which includes the following headings “OTHER TOP QUALITY SERVICES AND PRODUCTS AVAILABLE FROM HYGIECO”, under which are included “industrial wiping products”;
- (ii) Exhibit NAB5 – copies of advertisements from “Yellow Pages” Classified Telephone Directories prior to the relevant date which show that the mark is advertised under sanitary hygiene services and that the applicant provides, inter-alia, “full washroom services and supplies”;
- (iii) Exhibit NAB8 – brochures produced by the applicants between 1995-1998 headed with the mark, but also containing third party trade marks, to show that the applicant supplies, inter alia paper wiping rolls,

paper hand towels, toilet tissue and toilet rolls. Reference is made to “no minimum stock re-order levels”.

- (iv) Exhibit NAB9 – photographs of the livery, used since 1997, on the applicants’ fleet of vans which displays the HYGIECO trade mark and lists available products and services, including “paper products”.
- (v) Exhibit NAB16 – a copy of a 1995 HYGIECO invoice to a customer which refers to the supply of “standard toilet rolls” and “hand wiping rolls”.

54. On behalf of the registered proprietor, Mr Wyand submitted that the applicants were essentially washroom service suppliers who merely provide some limited paper products (usually not under their own brand name), as part of their service, with the scale of business being unclear. In Mr Wyand’s view the scale of the applicants’ use cannot generate sufficient goodwill to mount a passing-off action.

55. It seems to me that the applicants’ supporting evidence to demonstrate use of the mark HYGIECO in relation to paper products is somewhat vague as to the extent of the applicants’ use and also the overall market share of the applicants must be relatively small. However, the evidence demonstrates that prior to the relevant date the applicants were actively conducting a business in providing washroom services and that as an adjunct to or complimentary to this service the applicants were dealing in or supplying associated paper products eg paper wipes, paper towels, toilet tissue and paper nappies. The applicants activities included “refill sales” to washroom service customers (Exhibit NAB16 to Mr Barker’s Declaration of 17 January 2002 refers). In my view it is not unusual for the supply of services and the supply of goods to be closely linked and provided by identical economic undertakings and I do not believe that the sale of goods by a business which is predominantly a service provider involves a mere extension of the service provided. It seems to me that where a customer is purchasing paper products from a business engaged in providing washroom services to that customer, the customer is buying goods and not an additional service or a service “add on”. Such activity involves a trade in goods by the supplier which is capable of generating goodwill.

56. The evidence shows that the applicants have used the mark HYGIECO in relation to the promotion of a trade in paper products eg the flyers (Exhibit NAB8 to Mr Barker’s declaration of 7 January 2002) and the van livery (Exhibit NAB9) and there is also supporting evidence going to the provision of paper products eg the headed delivery note at Exhibit NAB16. Such activities would fall within the ambit of Section 10(4) of the Act in relation to the infringement of registered marks and in my view they constitute trading in paper products. Furthermore, Mr Barker has declared the applicants’ turnover in relation to disposable paper products and while the turnover figures do not go to show that the applicants are a major business in this field of activity, the length and extent of use is far from insignificant and in my view suffices the applicants with sufficient goodwill in disposable paper products to mount a passing-off action. As stated in Kerly’s Law of Trade Marks and Trade Names (13th Edition) at paragraph 14-08 on page 420 under the heading of “Reputation”:

“The mark or other indication concerned need not be universally known. A small trader with a limited clientele is as much entitled to protect his brands and business name as any large concern. The overriding consideration, in judging the extent of the reputation, is whether the claimant has built up a goodwill to the point where substantial damage will be caused to it by the acts complained of.”

Misrepresentation

57. To succeed under this heading the applicants need to show that the relevant public will believe that the goods offered by the registered proprietor are goods of the applicants.

58. The applicants for invalidation have filed evidence in relation to confusion and the registered proprietor has filed evidence going to its use of the mark. However, these are issues subsequent to the relevant date in these proceedings (22 October 1999) as the registered proprietor’s use of the mark in suit did not commence until January 2000. The matter must be assessed as at the application date on the basis of normal and fair use of the mark in suit.

59. Firstly, it is apparent that the trade marks at issue are identical in that the applicants have used the trade mark HYGIECO solus. While there has also been some use by the applicants of the mark with a crystal background device, this is of no additional assistance to the applicant.

60. Earlier in this decision I found that the applicants possessed goodwill in the mark in relation to disposable paper products eg towels, tissues, wiping rolls, toilet rolls. As the mark in suit is registered in respect of “Paper and paper products” normal and fair use would include use by the registered proprietor on identical and closely similar goods and the supply or sale of such goods to the same potential market or customer. Indeed, while the registered proprietor’s use post-dates the relevant date in these proceedings it confirms that the goods on which the registered proprietor uses the mark include disposable paper rolls and tissues.

61. In such a case of double identity, on the basis of normal and fair use a likelihood of confusion must be presumed.

Damage

62. Where the parties are using the same mark on identical goods and share the same potential market or customer, it must be presumed that there will be damage through diversion of trade.

Conclusion

63. The application for revocation succeeds under Section 47(2)(b) of the Act in that there is an earlier right in relation to which the condition set out in Section 5(4)(a) is satisfied.

64. In accordance with Section 47(6) of the Act, the registration will be declared invalid and deemed never to have been made.

Costs

65. The applicants are entitled to a contribution towards their costs. I order the registered proprietor to pay them the sum of £2000. 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 29TH day of July 2003

**JOHN MacGILLIVRAY
For the Registrar
the Comptroller-General**