

O-214-03

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 12534 BY
DOMENICO TANZARELLA T/A FRANCO'S ICES
FOR REVOCATION OF TRADE MARK NUMBER 1012621 IN CLASS 30 IN
THE NAME OF STELLA PRODUCTS LTD**

AND

**IN THE MATTER OF APPLICATION FOR INVALIDITY NO. 12464
BY STELLA PRODUCTS LTD
AGAINST REGISTRATION NO 2226680 IN CLASS 30
IN THE NAME OF DOMENICO TANZARELLA T/A FRANCO'S ICES**

Background

1. On 15 April 2003 I issued two decisions on behalf of the Registrar of Trade Marks in respect of invalidation and revocation proceedings involving the same parties . In the matter of Invalidation No 12534, I issued a provisional decision in which I made findings that:

- a) the trade mark RIVERIA, registered with effect from 13 June 1973 under No 1012621 in respect of, inter alia, “non-medicated confectionery” in the name of Stella Products Limited (Stella), constitutes an “earlier trade mark” with regard to the trade mark FRANCO’S RIVERIA CONE, which is registered under No 2226680 with effect from 22 March 2000 in respect of “Ices; ice creams” in the name of Domenico Tanzarella t/a Franco’s Ices (Franco) ;
- b) the respective trade marks are registered in respect of identical goods, “non-medicated confectionery” being broad enough to cover ices and ice cream;
- c) the trade marks are similar and if used recurrently by economically unrelated undertakings in respect of the same goods would give rise to a likelihood of confusion on the part of the public, including the likelihood of association.

2. In the matter of Revocation No 12464, I issued a final decision that (subject to appeal) registration 1012621 should be revoked for non-use with effect from 21 May 2001.

3. I allowed the parties a further period of time in which to make submissions as to the effect of my decision to revoke registration 1012621 upon the application by the proprietor of that trade mark to have the later trade mark declared invalid. I subsequently received submissions from both parties.

The Arguments of the Parties

4. Franco, who are represented in these proceedings by T M Gregory & Co, argues that whilst Stella’s registration was still technically in force at the date of Franco’s application to register its trade mark, the Registrar is entitled to take account of matters that occurred after this date. In this respect, Franco relies upon the decisions of the Registrar in the cases of *Transpay* and *Sundip* trade marks. The former is reported at [2001] RPC 191.

5. Both cases arose as a result of an opposition to the registration of a new trade mark based upon the existence of conflicting earlier trade marks. In the *Transpay* case, the earlier trade mark had been in force at the date of the later application, but had expired as a result of non-renewal before the Registrar came to determine the opposition based upon it.

6. The circumstances in the *Sundip* case were similar, except that in that case the proprietor of the earlier trade marks had voluntarily surrendered them by the time the Registrar came to determine the opposition. In this respect it is pointed out that opposition and invalidity actions are to be assessed on the same criteria, and it would be

illogical if a mark subject to revocation could not be used in an opposition, but could be used in an invalidity action on the same ground brought immediately following the completion of the registration process.

7. Franco points out that, while not strictly determinative, Stella had shown no genuine use of its RIVERIA trade mark since acquiring the mark in 1991. Thus the conditions for revocation existed prior to its own application to register FRANCO'S RIVERIA CONE. Franco draws attention to its own evidence which it claims shows that it made genuine use of the latter mark since 1999. Franco points out that if its own registration is declared invalid, Stella would be free to submit a fresh application. Franco submits that, in these circumstances, no account should be taken of Stella's revoked earlier trade mark.

8. Stella, who are represented in these proceedings by W. P. Thompson & Co, draws attention to s46(6)(a) of the Act, which states that where a registration is revoked, the rights of the proprietor shall be deemed to have ceased from the date of the application for revocation. Consequently, where (as here) the validity of a conflicting registration falls to be determined with effect from an earlier date, the fact that the rights of the proprietor of the revoked registration continue to apply at that earlier date means that the revoked registration must be taken into account.

Decision

9. Section 47(2) of the Act is as follows:

“The registration of a trade mark may be declared invalid on the ground-

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

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

10. For the reasons given in my provisional decision, I have already found that Stella's trade mark satisfies the conditions set out in section 5(2) of the Act.

11. Section 6(1) of the Act (insofar as is relevant) states that:

“In this Act an “earlier trade mark” means-

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of priorities claimed in respect of the trade marks,
- (b) ...
- (c)

12. Stella's trade mark was registered on 22 March 2000 when Franco applied to register its trade mark. It was still registered on 23 April 2001 when Stella sought a declaration that Franco's registration was invalid. The matter in dispute is whether the subsequent revocation of Stella's registration with effect from 21 May 2001 has the effect of either retrospectively extinguishing the earlier trade mark right or else preventing or limiting the proprietor's ability to continue to rely upon it.

13. Section 46(6) of the Act states that:

“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.”

14. This appears to me to make it clear that the rights of the proprietor of a revoked registration continue to exist up until the date of the application for revocation, unless the Registrar is satisfied that the grounds for revocation existed at an earlier date. It is difficult to see how the Registrar could be so satisfied in the absence of a pleaded request from the applicant for the registration to be revoked at an earlier date. Failing this the Registrar is in most cases likely to be unsure as to whether, if challenged, the proprietor could have produced evidence of use of the trade mark in the five year period preceding the earlier date.

15. The “rights of the proprietor” cannot be deemed to have ceased only at the date of the application for revocation if the rights in the trade mark become unenforceable for any period following the act of revocation. Consequently, the trade mark remains enforceable in respect of matters arising at any time prior to the date at which the rights of the proprietor cease to have effect.

16. The position appears to be different when it comes to trade marks which lapse due to non-renewal or surrender. Unlike revocation, both of these situations stem from decisions of the trade mark proprietor himself. I do not find it surprising that the consequences of allowing a registration to lapse or to surrender it, might be different from the consequences of revocation forced on the proprietor by an application made by a third party.

17. As the Hearing Officer in *Transpay* pointed out, section 6(3) of the Act expressly provides that:

“A trade mark within subsection (1)(a) or (b) whose registration expires shall continue to be taken into account in determining the registrability of a later trade mark for a period of one year after the expiry unless the Registrar is satisfied that

there was no *bona fide* use of the mark during the two years preceding the expiry.”

18. It is noticeable that, unlike section 46(6), this provision does not specify a date from which the rights of the proprietor of the earlier trade mark are deemed to have ceased to have effect. Instead the provision governs the period within which the expired registration must “continue to be taken into account”. After that period has passed the expired registration need not be taken into account irrespective of the date of expiry. I agree with the Hearing Officer in *Transpay* in this respect.

19. The Act is silent on the consequences of surrender of a registration, although as the Hearing Officer in *Sundip* pointed out, there are strong equitable grounds for holding that a proprietor who surrenders a registration (and thus shields the registration from subsequent revocation proceedings) should not thereby find himself in a stronger position than a proprietor who faces an application for revocation, which carries with it the possibility of a back dated revocation of the proprietor’s trade mark. I agree with the Hearing Officer in *Sundip* that a registration should no longer be taken into account once it is surrendered. To find otherwise would be to provide proprietors with a means of frustrating applications, or potential applications, for revocation under the terms of section 46(6)(b) of the Act.

20. The net result of this is that it is vital for a party seeking to revoke an earlier trade mark in order to clear the way for its own application, or to resist an application to have its own registration declared invalid on the basis of the earlier trade mark, to make a request in its application for the conflicting earlier trade mark to be revoked with effect from a date which precedes the date of its own application for registration.

21. That did not happen here and I cannot accept Franco’s tentative invitation to speculate about what the outcome might have been if revocation had been sought from an earlier date.

22. For the reasons given above, and those given in my provisional decision of 15 April 2003, I find that registration No 2226680 is invalid because it was registered contrary to the provisions of section 5(2) of the Act, and it is therefore declared invalid in accordance with section 47(2).

Costs

23. The result of my decision is that both Stella's application to invalidate Franco's registration and Franco's application to revoke Stella's registration have been successful. The amount I would have awarded the parties in costs would be comparable. Rather than make an equivalent award of costs to each party I have decided to make no order as to costs.

Dated this 29th Day of July 2003

**Allan James
For the Registrar**