

O/745/18

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATIONS NO. UK00000402687 AND NO.
UK00001108682**

IN THE NAME OF JUPITER SOAPS LTD

BOTH FOR THE FOLLOWING TRADE MARK:

FALCON

IN CLASS 3

AND

CONSOLIDATED APPLICATIONS FOR REVOCATION

UNDER NO. 502064 AND 502065 BY

FALKE KGAA

BACKGROUND AND PLEADINGS

1. The trade mark **FALCON** (registration 402687) (“the First Registered Mark”) stands registered in the name of Jupiter Soaps Ltd (“the proprietor”). The application was filed on 31 March 1920 and published for opposition purposes on 30 June 1920. The registration procedure was completed on 23 September 1920 and the mark stands registered for the following goods:

Class 3 Common Soap

2. The trade mark **FALCON** (registration 1108682) (“the Second Registered Mark”) stands registered in the name of Jupiter Soaps Ltd (“the proprietor”). The application was filed on 1 February 1979 and published for opposition purposes on 31 March 1982. The registration procedure was completed on 25 August 1982 and the mark stands registered for the following goods:

Class 3 Soap.

3. Revocation of the marks in full is sought by Falke KGaA (“the applicant”) on the grounds of non-use. Under section 46(1)(a) of the Trade Marks Act 1994 (“the Act”), the applicant claims non-use in the five-year period following the date on which the marks were registered, i.e. 24 September 1920 to 23 September 1925 for the First Registered Mark and 26 August 1982 to 25 August 1987 for the Second Registered Mark. In relation to the First Registered Mark, the applicant requests an effective date of revocation of 1 April 1925. This is not legally possible because 1 April 1925 falls within the first five years following completion of the registration procedure¹. The earliest possible date for revocation is 24 September 1925. In relation to the Second Registered Mark, a legally impossible date has also been pleaded: 2 February 1984. The earliest possible date for revocation is 26 August 1987. The dates of registration are recorded on the official files. These dates have, therefore, been incorrectly pleaded and the applications under section 46(1)(a) of the Act fail. Even if this anomaly had been spotted earlier and an amendment to the pleadings requested (and

¹ *Lowden v The Lowden Guitar Company Ltd.* [2004] EWHC 2531 (Ch)

accepted), given the findings I make in this decision, this would not have affected the outcome of the proceedings. The applicant also alleges, under section 46(1)(b), non-use in three separate periods for both marks: between 2 May 2013 and 1 May 2018, seeking an effective revocation date of 2 May 2018; between 2 May 2008 and 1 May 2013, seeking an effective revocation date of 2 May 2013; and between 2 May 2003 and 1 May 2008, seeking an effective revocation date of 2 May 2008.

4. The proprietor filed counterstatements defending its registrations for all goods for which the marks are registered. The defence is based on the claim that the marks have been put to genuine commercial use within all of the periods identified by the applicant. No claim is made to there being any proper reasons for non-use.

5. By letter dated 2 August 2018, the Tribunal notified the parties that the proceedings would be consolidated under rule 62(g) of the Trade Marks Rules 2008.

6. The proprietor is represented by Trade Mark Direct Limited and the applicant is represented by Wilson Gunn. Only the proprietor filed evidence. No hearing was requested and neither party filed written submissions in lieu. This decision is made following a careful perusal of the papers.

THE EVIDENCE

7. The proprietor's evidence consists of the amended witness statement of Richard Langham dated 23 July 2018, with 11 exhibits. Mr Langham's original statement exceeded the page limit for evidence allowed by the Tribunal and so exhibits 7 and 11 are removed and no longer form part of the evidence in these proceedings. Mr Langham has been a director of the proprietor since it was incorporated on 10 July 2013.

8. Mr Langham states as follows:

"I confirm that I have continued to use the FALCON mark for soaps from the date of purchase of the IP and goodwill in the FALCON name form [(sic)] Kays (Ramsbottom) Limited on 31 August 2017 to date."

9. Exhibit 1 to Mr Langham's statement consists of the Certificate of Incorporation for the proprietor, the Application to Register and the proprietor's Articles of Association. The Certificate of Incorporation for the proprietor confirms that it is registered under company no. 8605048 and that it was incorporated on 10 July 2013. The accompanying Application to Register confirms Mr Langham's position as a director of and shareholder in the proprietor.

10. Exhibit 2 to Mr Langham's statement is the witness statement of Mr Alan Rogers dated 27 June 2018. There is nothing to indicate that this statement has been made in relation to these proceedings. Mr Rogers is a shareholder in the proprietor. He was also a director of Kay's (Ramsbottom) Ltd ("Kay's") from 1972 until closure of the company in December 2016. Mr Rogers states that FALCON was first registered in the 1920s by James Kay and Sons Ltd, which was the precursor to Kay's. Kay's was formed in 1951 and at that time took ownership of the FALCON marks. Mr Rogers states that during his time at Kay's the FALCON mark was used extensively for both household soap and toilet soap and was a well-recognised brand name in the UK. Mr Rogers states that when Administrators were appointed for Kay's in 2016, the FALCON marks and associated goodwill were sold to the proprietor.

11. Exhibit 3 is the front page of a certified copy of the Memorandum and Articles of Association for Kay's, which it states was incorporated on 9 November 1951.

12. Exhibit 4 consists of a Statement of Administrator's Proposals for Kay's dated 14 November 2016 and a Notice of Administrator's Progress Report dated 16 April 2018. The statement provides some background to the business and states:

"The Company manufactures soap base, pure soap powders, melt and pour soap base, vegetable oil soap tablets, toilet soaps, regular and organic liquid soap base and tablets from freehold premises in Ramsbottom. The Company has a diverse client base including multi-national companies and high profile UK retailers."

13. The statement also confirms that Kay's had a turnover of £6.1million in 2013 and £5million in 2015. By 2016, Kay's was operating at a "significantly reduced level".

14. Exhibit 5 to Mr Langham's statement is the witness statement of Alec Kenyon dated 1 July 2018. Mr Kenyon has been a director of Kay's since 1992. Prior to that he was employed by Kay's as a Works Chemist. When Kay's ceased trading on 23 December 2016 Mr Kenyon's employment ceased but he remained a shareholder. Mr Kenyon states that Kay's was the owner of the FALCON mark for the duration of his employment. Mr Kenyon states:

"During my period of employment as both Works Chemist and Production Director from 1987 until 2016 I can confirm that the registered Trade Mark "Falcon" was used extensively for both Household Soap and Toilet Soap and it continued as a well-recognised brand name within the United Kingdom for such products. I also believe that to the best of my knowledge, from company history learned from my Father (Roger Kenyon), who was employed at Kay's for 58 years, that Falcon was in constant use from its date of registration until the sale of the trade mark to Jupiter. It was a very important part of the company's history and was never allowed to go dormant."

15. Exhibit 6 to Mr Langham's statement consists of an "Omnibus Assignment of Intellectual Property Rights" dated 31 August 2017, a letter dated 4 October 2017 from the Registry confirming that change of ownership of the FALCON marks had been recorded and an invoice dated 13 September 2017 addressed to the proprietor for the purchase of the FALCON marks. The invoice confirms that the proprietor paid the sum of £6,600 (including VAT) for the FALCON marks. The Assignment confirms that the FALCON marks were assigned to the proprietor.

16. Exhibit 8 to Mr Langham's statement consists of various invoices which relate to the sale of various types of soap by Kay's. The invoices are of poor print quality and are therefore difficult to read in parts. The relevant parts of the invoices that refer to soap sold under the FALCON mark are as follows:

DATE	GOODS	AMOUNT
23.02.16	15 cases of Falcon household green twin packs and 20 cases of Falcon household carbolic twin pack	£275.00
25.02.16	80 cases of Falcon carbolic household soap and 40 cases of Falcon green household soap	£1,195.20
04.03.16	80 cases of Falcon green household soap	£864.00
15.03.16	80 cases of Falcon carbolic household soap and 80 cases of Falcon green household soap	£1,593.60
01.04.16	160 cases of Falcon carbolic household soap	£1,328.00
04.04.16	80 cases of Falcon carbolic household soap and 80 cases of Falcon green household soap	£1,593.60
19.04.16	160 cases of Falcon carbolic household soap and 80 cases of Falcon green household soap	£2,390.40
20.04.16	80 cases of Falcon carbolic household soap	£720.00
27.04.16	20 cases of Falcon carbolic household soap	£216.00
16.05.16	160 cases of Falcon carbolic household soap and 160 cases of Falcon green household soap	£3,187.20
07.06.16	80 cases of Falcon carbolic household soap and 80 cases of Falcon green household soap	£1,593.60
06.07.16	160 cases of Falcon carbolic household soap and 160 cases of Falcon green household soap	£3,187.20
06.07.16	80 cases of Falcon carbolic household soap	£720.00
12.07.16	3 cases of Falcon carbolic household soap twin pack, 20 cases of Falcon green household soap and 40 cases of Falcon carbolic household soap	£671.97
13.07.16	15 cases of Falcon carbolic household soap twin pack and 50 cases of Falcon green household soap twin pack	£511.68
13.07.16	160 cases of Falcon carbolic household soap, 15 cases of Falcon carbolic household soap twin pack and 15 cases of Falcon green household twin pack	£1,511.60
19.07.16	70 cases of Falcon carbolic household soap and 10 cases of Falcon green household soap	£720.00
27.07.16	240 cases of Falcon carbolic household soap and 240 cases of Falcon green household soap	£4,780.80
18.08.16	80 cases of Falcon green household soap	£796.80
19.08.16	90 cases of Falcon carbolic household soap	£720.00
26.08.16	240 cases of Falcon carbolic household soap and 160 cases of Falcon green household soap	£3,984.00
01.09.16	80 cases of Falcon green household soap and 80 cases of Falcon carbolic household soap	£1,728.00
22.09.16	160 cases of Falcon green household soap	£1,593.60
21.10.16	26 cases of Falcon green household soap	£280.80
24.10.16	61 cases of Falcon green household soap	£658.80

03.11.16	320 cases of Falcon carbolic household soap and 320 cases of Falcon green household soap	£6,374.40
09.11.16	160 cases of Falcon carbolic household soap	£1,328.00
18.11.16	160 cases of Falcon carbolic household soap and 10 cases of Falcon green household soap	£1,530.00
	TOTAL	£46,054.25

17. Exhibit 9 to Mr Langham’s statement consists of the Accounts for Kay’s for the years ending 31 October 1983, 31 October 2003, 31 October 2004, 31 October 2005, 31 October 2006, 31 October 2007, 31 October 2008, 31 October 2009, 31 October 2010, 31 October 2011, 31 October 2012, 31 October 2013, 31 October 2014 and 31 October 2015. There is nothing in the Accounts that makes specific reference to the use of the FALCON marks.

18. Exhibit 10 to Mr Langham’s statement is the Micro-Entity Accounts for the proprietor for the year ending 31 August 2017. Again, there is nothing in the Accounts that makes specific reference to the use of the FALCON marks.

DECISION

19. Section 46 of the Act states:

“(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) [...]

(d) [...]

(2) For the purpose 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 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.”

20. Section 100 is also relevant, which reads:

“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.”

21. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“217. *The law with respect to genuine use* . In *Stichting BDO v BDO Unibank Inc* [2013] EWHC 418 (Ch), [2013] FSR 35 I set out at [51] a helpful summary by Anna Carboni sitting as the Appointed Person in *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439 , Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I added references to Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237). I also referred at [52] to the judgment of the CJEU in Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16 on the question of the territorial extent of the use. Since then the CJEU has issued a reasoned Order in Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and that Order has been persuasively analysed by Professor

Ruth Annand sitting as the Appointed Person in *SdS InvestCorp AG v Memory Opticians Ltd* (O/528/15).

...

219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetzky-Orden v Bundesvereinigung Kameradschaft 'Feldmarschall Radetzky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] to [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not always the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

22. Proven use of a mark which fails to establish that “the commercial exploitation of the mark is real” because the use would not be “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” is not, therefore, genuine use.

23. Given the proviso at section 46(3) of the Act, if the proprietor can establish genuine use in the most recent period (i.e. between 2 May 2013 and 1 May 2018), the registrations will not be revoked. I will, therefore, concentrate initially on that period and will return to the earlier periods only if necessary.

24. The marks appear in the proprietor’s evidence (specifically, in the invoices listed above) in word form as registered. The evidence does not show any variant use of the marks. This is, therefore, use upon which the proprietor may rely.

25. The company registration documents provided at Exhibit 1 to Mr Langham’s statement do not assist at all in demonstrating that the mark has been used. Similarly, the Memorandum and Articles of Association for Kay’s, provided at Exhibit 3, make no reference to the FALCON marks. The Statement of Administrator’s Proposals for Kay’s, provided at Exhibit 4, demonstrates that the business was trading with a turnover of £6.1million in 2013 and £5million in 2015. Whilst this confirms that the business was selling soaps, there is nothing in this document to suggest that those soaps were being sold under the FALCON marks. Exhibit 6 to Mr Langham’s statement demonstrates that ownership of the FALCON marks was transferred to the proprietor, but they do not demonstrate that the marks have been used. The accounts provided for Kay’s and the proprietor at Exhibit 9 and Exhibit 10 to Mr Langham’s statement are described in the proprietor’s counterstatement as relating to goods sold under the FALCON marks alone. Rule 64 of the Trade Mark Rules 2008 provides as follows:

“(1) Subject to rule 62(2) and as follows, evidence filed in any proceedings under the Act or these Rules may be given –

(a) by witness statement, affidavit, statutory declaration; or

(b) in any other form which would be admissible as evidence in proceedings before the court.

(2) A witness statement may only be given in evidence if it includes a statement of truth.

(3) The general rule is that evidence at hearings is to be by witness statement unless the registrar or any enactment requires otherwise.

(4) For the purposes of these Rules, a statement of truth –

(a) means a statement that the person making the statement believes that the facts stated in a particular document are true; and

(b) shall be dated and signed by –

(i) in the case of a witness, the maker of the statement,

(ii) in any other case, the party or legal representative of such party.

(5) In these Rules, a witness statement is a written statement signed by a person that contains the evidence which that person would be allowed to give orally.

(6) Under these Rules, evidence shall only be considered filed when –

(a) it has been received by the registrar; and

(b) it has been sent to all other parties to the proceedings.”

26. In *Soundunit Limited v Korval Inc.*, BL/0468/12, Mr Daniel Alexander Q.C., sitting as the Appointed Person, acknowledged that “Before the High Court a pleading verified by a statement of truth may be admitted as evidence (see CPR Rule 32).” I am, therefore, able to consider the above statement that the accounts provided relate

only to sales under the FALCON marks (which was made in the proprietor's counterstatement and is verified by a statement of truth) as evidence in this case.

27. Mr Langham states that the proprietor has continued to use the FALCON marks since it acquired ownership of the marks (although no evidence of the proprietor's use since the acquisition has been provided). Mr Rogers and Mr Kenyon both also state that the FALCON marks were used by Kay's for the duration of their employment with the company. I note that Mr Kenyon refers to information that he has been provided by his father, who confirmed use of the marks from the date of registration. This is hearsay evidence. Section 4 of the Civil Evidence Act 1995 permits hearsay evidence in civil proceedings but I bear in mind the guidance given in that section as to the weight to be accorded to such evidence. In his statement, Mr Rogers states that Mr R. Kenyon (who is likely to be the same Mr Roger Kenyon referred to by Mr Kenyon) is now deceased. The proprietor would, therefore, not now be able to rely on evidence given by Mr Roger Kenyon himself and the information passed on by Mr Roger Kenyon to his son would not have been given with these proceedings in mind. Notwithstanding the fact that it is hearsay evidence it can, therefore, be given some weight.

28. The various invoices provided at Exhibit 8 to Mr Langham's statement do demonstrate that sales were made for goods sold under the FALCON marks during 2016. Sales in relation to goods sold under the FALCON marks amount to a total of £46,054.25. The invoices are addressed mainly to businesses, with recipients being located in the UK and the Republic of Ireland. Sales to the trade is use upon which the proprietor may rely² and so the proprietor can rely on all of these invoices as evidence of use of the FALCON marks.

29. An assessment of genuine use is a global assessment, which involves looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself³.

² *Laboratoire de la Mer Trade Mark* [2006] FSR 5

³ *New Yorker SHK Jeans GmbH & Co KG v OHIM*, T-415/09

30. Clearly, there are deficiencies in the proprietor's evidence. Many of the exhibits provided by the proprietor are irrelevant to the question of whether the marks have been used. The sales made under the marks as evidenced by the exhibits are far from extensive. However, when assessed as a whole I am satisfied that the evidence is sufficient to demonstrate that the proprietor had used its marks during the period from 2 May 2013 to 1 May 2018.

31. The goods for which the marks are registered are "common soap" in respect of the First Registered Mark and "soap" in respect of the Second Registered Mark. All of the invoices make reference to various types of soap that have been sold under the marks and I am, therefore, satisfied that the proprietor has shown use of its marks in relation to the full specifications for which they are registered.

32. As explained above, although the proprietor has only shown use of the marks for the most recent period, this is sufficient to prevent the marks being revoked pursuant to section 46(3) of the Act.

CONCLUSION

33. The trade marks will remain registered for their full specifications.

COSTS

34. The proprietor has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the proprietor the sum of £700 as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Preparing a statement and considering the applicant's statement	£200
Preparing evidence	£500
Total	£700

35. I therefore order Falke KGaA to pay Jupiter Soaps Ltd the sum of £700. This sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

Dated this 21st day of November 2018

S WILSON

For the Registrar