BL O/0251/25

TRADE MARKS ACT 1994

IN THE MATTER OF A PROCEDURAL HEARING HELD IN RELATION TO

UK TRADE MARK REGISTRATION NO. 901427681
IN THE NAME OF ALTIA CONSULTORES, S.A.
FOR THE TRADE MARK:

ALTIA

-AND-

THE PRELIMINARY VIEW TO STRIKE OUT
AN APPLICATION FOR REVOCATION THERETO UNDER NO. 508010
BY ALTIA SOLUTIONS LIMITED

Introduction

1. This decision follows the procedural hearing that took place before me via telephone conference, on Thursday 30 January 2025, the purpose of which was to challenge the preliminary view issued by the Registry that, Revocation Application No. 508010 should be struck out on the basis that the statement of grounds does not appear to fall within the grounds for revocation under section 46(1)(d) of the Trade Marks Act 1994 (**"the Act"**), and consequently the application appears to be without object.[1]

Background

2. Altia Consultores, S.A. (**"the Proprietor"**) owns UK trade mark registration number 901427681, for the word mark 'ALTIA'. The trade mark is a comparable trade mark (EU) which was filed on 16 December 1999 and completed its registration procedure on 1 January 2002.[2] It is registered in respect of the following goods and services:

> Class 9
>
> Computer software.
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> Class 38
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> Telecommunications services.
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> Class 42
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> Professional consultancy in the field of computing (non-business); design, maintenance and updating of computer software; computer programming services; computer systems analysis; reconstitution of databases; quality-control services; research and development (for others); computer software rental; computer rental; leasing access time to a computer database; leasing access time to a computer for data processing.

3. The Proprietor relies on the above mark as a basis for its opposition claims in consolidated opposition proceedings numbers OP000449005, OP000448995, OP000448994, OP000448992, OP000448999, OP000448998, OP000448991,

[1] The preliminary view was issued in the Registry's official letter dated 6 November 2024.
[2] See the preliminary issues section of this decision in relation to comparable marks, in particular my paragraph 24.

OP000448996, and OP000448997 filed against UK trade mark applications made in the name of Altia Solutions Limited.

4. On 4 November 2024, Altia Solutions Limited (**"the Applicant"**) applied to revoke the Proprietor's trade mark registration under three separate grounds. In its form TM26(N) 'Application to revoke a registration for reasons of non-use', the claim for revocation is based on sections 46(1)(a) and 46(1)(b) of the Act.[3] In its TM26(O) 'Application to revoke a registration for reasons other than non-use', the claim for revocation is based on section 46(1)(d) of the Act. As I have already pointed out, it is the claim for revocation under section 46(1)(d) which is the subject of the Registry's preliminary view.

5. Section 46(1)(d) of the Act states as follows:[4]

> (1) The registration of a trade mark may be revoked on any of the following grounds—
>
> […]
>
> (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.

6. In its supporting statement of grounds to accompany its Form TM26(O), the Applicant summarised the premise of its claim under section 46(1)(d) as follows (my emphasis) – reference to the 'Relevant Mark' is reference to the Proprietor's comparable trade mark (EU), and reference to the 'Respondent' is reference to the Proprietor:

> "1. The Applicant owns, controls, and does business under the mark Altia in the United Kingdom, and has done for over 22 years as a leading brand for, amongst other things, law enforcement and government agency focused analytics software services. The Applicant has acquired substantial reputation and goodwill in the Altia

[3] As per its amended Form TM26(N) filed on 18 November 2024 which added section 46(1)(b) to the claim. The effective date of revocation sought under section 46(1)(a) is 22 January 2007; and the effective date of revocation sought under section 46(1)(b) is 29 April 2024. Proceedings number CA508009.

[4] The provisions of the Act are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

brand amongst consumers in the United Kingdom as a result of its operations over a significant period of time and accordingly consumers have come to understand that the name “Altia” denotes the Applicant's goods and services.

[…]

4. **Use of the Relevant Mark** by the Respondent **would amount to passing off**. The Applicant has goodwill in the mark "Altia". Use by the Respondent of "Altia" in respect of the goods and services it is registered for would amount to a misrepresentation that its goods and/or services are the goods and/or services of the Applicant. This would cause the Applicant loss and damage. **It is well established that ownership of a trade mark does not prevent goodwill being generated by another mark, and that use of a trade mark can amount to passing off: see, for example, *Inter Lotto v Camelot* [2003] EWA Civ 1132.**

5. For the same reasons, **if used, the Relevant Mark** would mislead the public as consumers in the United Kingdom have been educated to understand that the name "Altia" denotes the Applicant's goods and services given their substantial use of Altia over two decades. Use of the Relevant Mark by the Respondent **would therefore mislead the public as to origin**. **The Relevant Mark should therefore be revoked in its entirety pursuant to section 46(1)(d) of the Trade Marks Act 1994.**”

7. In its letter requesting a hearing to challenge the preliminary view,[5] the Applicant submits the following in support of its claim (my emphasis for clarity):

“The matters referred to in section 46(1)(d) are not an exhaustive list, as is clear from the use of the term “particularly” within it. The use by the Respondent of its comparable mark in issue (No. 901427681) in the UK, in relation to the goods or services for which it is registered, is liable to mislead the UK public into believing they are those of or connected with the Applicant. This has resulted from the Respondent’s decisions as to where and how to use and deploy its registered mark, which should therefore be revoked under this section.

The Respondent, as far as the Applicant is aware, has chosen not to use the mark in issue on the UK market, notwithstanding the extensive business the Applicant has carried out under the mark ‘Altia’ in the UK for over 22 years, without objection from the Respondent. As a result, the use of “Altia” in the UK has come to denote the Applicant’s goods and services to the UK public.

[5] Applicant’s letter dated 18 November 2024.

> We refer, for example, to paragraphs 39 to 41 of ***Inter Lotto (UK) Ltd v Camelot Group*** [2003] EWCA Civ 1132 which considers the **"open…questions"** where use of an earlier registered mark would cause deception and amount to a passing off in respect of goodwill accrued from another business use after the filing date of that registered mark. **The position of Counsel for the Respondent in the *Inter Lotto* case (Geoffrey Hobbs KC, as he now is) *" ..that the first trader would be able to secure revocation of the trade mark under s.46(1)(d) , on the basis that its use would be liable to mislead…"* was considered by the Court as a potential solution, although it was not necessary to reach a decision on this issue in that case.**
>
> More detailed submissions for the hearing will be provided in due course."

8. The Applicant filed skeleton arguments ahead of the hearing and provided a copy of the *Inter Lotto* Court of Appeal case. Upon receipt of these arguments I had noted that no mention was made of the High Court decision in *Cormeton Fire Protection Ltd v Cormeton Electronics Ltd & Anor* [2021] EWHC 11 (IPEC). I therefore directed that the Applicant's attention be drawn to that case and that I would be inviting submissions on it at the procedural hearing.

Representation

9. The Applicant was represented at the procedural hearing by Charlotte Blythe of Counsel, instructed by Browne Jacobson LLP. The Proprietor is represented by Slingsby Partners LLP however it elected not to attend the hearing and did not file any submissions in lieu of attendance.

Case Law

10. Before I proceed with detailing the submissions made at the hearing, for ease of reference, I will firstly set out some details of the *Inter Lotto* Court of Appeal case, in particular the background leading up to the submission in relation to section 46(1)(d) (after Counsel was presented with a notional example of facts), as well as some of the findings made in the *Cormeton Fire* case about a claim brought under section 46(1)(d) alleging deception as to trade origin.

Inter Lotto (UK) Ltd v Camelot Group [2003] EWCA Civ 1132

11. The claimant in these proceedings was *Inter Lotto* and the defendant was *Camelot*. This involved an appeal by the defendant in relation to the determination of a preliminary issue in a passing off action before the High Court. The claimant's use of its sign pre-dated the defendant's application for registration of a similar mark by a couple of months (the claimant started using its sign in August 2001 and the defendant applied to register its mark in October 2001), with the defendant commencing use of its mark some nine months after its application for registration (in July 2002).[6]

12. The High Court proceedings involved *Inter Lotto* suing *Camelot* for passing off, however the relevant date for assessing *Inter Lotto's* goodwill was disputed between the parties – the defendant contended it was the date it applied to register its mark, and the claimant contended it was when the defendant started using its mark (which was later). The judge considered the question of the relevant date needed to be determined first as a preliminary issue, and made an order to that effect.

13. Laddie J (as he then was), determined the preliminary issue and agreed with the claimant. His decision was then appealed by the defendant, however the appeal was unsuccessful. Thus the relevant date for assessing the claimant's goodwill was held by the Court of Appeal not to be the date of the defendant's application for registration, but rather the date of the defendant's first use of its mark i.e. **the relevant date is the date of the commencement of the conduct complained of** – this confirmed that the common law of passing off recognises the possibility of superior rights being acquired by use **after** the date of application for registration. It is the appeal case which the Applicant in these present proceedings has used as its authority.

14. In reaching its decision on the preliminary issue, the Court of Appeal had regard to section 2(2) of the Act which states that the Act does not affect the law of passing off – at [35] Carnwath LJ noted that **whilst the Act does give special recognition to rights acquired by use *before* the date of application for registration**, he observed that **there is *no equivalent recognition* under the Act of the possibility of superior rights being acquired by use *after that date***. He recognised that

[6] ***Camelot's*** trade mark application led to two sets of proceedings – one in the High Court and the other in the Registry – raising essentially similar issues, in relation at least to the allegations of prior right.

section 2(2) of the Act states that the Act does not affect the law of passing off, and at [36] he stated that the clear effect of that section is, in his view, to confirm that the (common) law of passing off is preserved, notwithstanding any apparent conflict with the provisions of the Act.

15. The part of the Court of Appeal decision which the Applicant has directed me to, relates to a notional example which was proposed by Laddie J at first instance, in order to understand the practical application of the defendant's arguments (which Laddie J thought were untenable) i.e. the defendant argued that the owner of a registered trade mark has a statutory right to use its mark which cannot be taken away, and that passing off rights are inferior and cannot be used to impugn or restrict that entitlement.[7] At [34] Laddie J stated that the practical application of the defendant's argument could be explained by reference to the following notional example:

> "A trader starts to use a trade mark 'X'. He uses it extensively in relation to particular goods and builds up a valuable reputation and goodwill. At the same time another trader applies to register 'X' as a trade mark which he does not use in respect of the same class of goods. At the outset, each trader is ignorant of the existence of the other. After four and a half years, the second trader decides to start using his registered mark. He learns of the first trader and sues for infringement. The (first) trader sues for passing off. Mr Silverleaf [counsel for the defendant] argues that not only does the second trader succeed on the infringement proceedings, but the first trader cannot succeed in passing off. The result is that the second trader is entitled to take all the goodwill and reputation which the first trader had built up."

16. To confirm, it is Laddie J's notional example which Carnwath LJ referenced in the Court of Appeal decision at [39], which is what the Applicant in these instant proceedings has cited. Carnwath LJ introduces the notional example as follows (bearing in mind that at that stage, *Camelot's* trade mark application had not yet been registered) – my emphasis for clarity: *"I acknowledge that this leaves open some questions which may arise in the* ***future****, either in this case* ***if and when Camelot's mark is finally registered****, or in other more extreme circumstances. The*

[7] *Inter Lotto* (UK) Ltd v *Camelot* Group Plc, [2003] EWHC 1256 (Ch), at [32].

judge [Laddie J] *suggested a notional example* [at paragraph [34]]*."*[8]

17. Carnwath LJ then noted that the defendant stood by its submissions, however, he notes that Mr Hobbs' position on the notional example (Mr Hobbs KC being Counsel for the claimant) *"is less clear"* stating in his decision that (my emphasis for clarity – again bearing in mind that at that stage, *Camelot's* trade mark application had not yet been registered):

> "41. […] [Mr Hobbs] accepts as I understand it, that the first trader's use would in principle be an infringement of the second trader's trade mark rights, as from the date of the application, and that he could claim damages for loss caused by that use (although the measure of damages might be open to question). As to **future** use, he seemed to have three possible answers. The first was that the first trader would be able to secure revocation of the trade mark under s.46(1)(d), on the basis that its use would be liable to mislead. Alternatively, he submits that both traders would be entitled to injunctions to restrain each other. Finally, as a last resort, he falls back on the comforting Latinism — solvitur ambulando; in other words, "things will sort themselves out".
>
> 42. None of these suggestions seem wholly satisfactory […]. However, these potential **future** difficulties do not persuade me that, contrary to the clear effect of s.2(2), we can read into the 1994 Act provisions designed to reconcile the two systems for the purposes of the limited question before us."

Cormeton Fire Protection Ltd v Cormeton Electronics Ltd & Anor [2021] EWHC 11 (IPEC)

18. In this case the defendants alleged that the use of the mark was deceptive because there had been at least a partial separation of the goodwill, and that therefore the mark was no longer distinctive of a single undertaking and had become misleading. The defendants alleged (*inter alia*) that the mark at issue was invalid under section 3(3)(b) of the Act and/or liable to revocation under section 46(1)(d). In relation to the revocation, the defendants submitted that even if the mark was not deceptive under section 3(3)(b) at the time of application for registration, that it had

[8] As an aside I note that a case management conference held by Pumfrey J was conducted following the Court of Appeal's decision – Pumfrey J took the view that there was no reason to have two sets of proceedings – the consequence was that the opposition proceedings before the Registry were essentially abandoned and *Camelot's* application for registration of its mark proceeded to registration shortly after the Court of Appeal issued its decision. Patten J provides a useful summary of the proceedings between the parties in his judgement in 'Hotpicks Trade Mark' [2004] EWHC 689 (Ch).

become so by the relevant date as a result of the further use made of the mark. Dismissing these arguments, David Stone, sitting as the Deputy High Court Judge, said:

> "*Invalidity pursuant to section 3(3)(b) of the TMA*
> […]
> 85. First, in relation to the law, as I have already noted, section 3(3)(b) is in the part of the TMA ['Trade Marks Act 1994'] which deals with absolute grounds of refusal. Absolute grounds are those that pertain to the mark itself – for example, marks devoid of distinctive character, marks which denote kind or quality, certain types of shape marks, and marks contrary to public policy. That is already a clear guide to the interpretation of section 3(3)(b) – it is clearly not aimed at preventing registration of marks in which a third party may own rights.
>
> 86. Next, the section itself lists, albeit non-exclusively, examples of types of mark which may deceive the public – "for instance as to the nature, quality or geographical origin of the goods or services". Counsel for the Defendants submitted that this list is not closed, and I accept that submission. But the examples given are all absolute grounds examples, concerned with deception about the nature of the goods or services on offer. None of the examples given relates to the message that may be conveyed about the business origins of the goods or services provided under the mark.
>
> 87. Third, this position is entirely consistent with the limited case law on section 3(3)(b) and its equivalents in the EU instruments I have referred to above […]"

19. He summarised the findings in Case C-259/04 *Elizabeth Florence Emanuel v Continental Shelf 128 Ltd* [2006] ETMR 56, *Melly's Trade Mark Application* [2008] ETMR 41, *Sworders Trade Mark* (BL O/212/06) and Case C-689/15 *WF Gözze Frottierweberei v Verein Bremer Baumwollbörse* [2017] Bus LR 1795 and said:

> "87. […] These four decisions speak with one voice – section 3(3)(b) of the TMA refers to per se or absolute grounds.
>
> 88. Fourth, if the Defendants are right, their interpretation would drive a coach and horses through the relative grounds provisions in section 5 of the TMA. All an earlier right owner would need to do would be to allege public deception, without first having to comply with the requirements for identical or similar marks, identical or similar

goods/services, or ownership of a mark with reputation. This cannot be what the legislature intended.

89. Therefore, in my judgment, section 3(3)(b) of the TMA is not engaged where the only "deception" is as to who is using the mark to provide goods or services. That sort of deception is remediable under the relative grounds for refusal of registration to be found in section 5 of the TMA. The Defendants' application for invalidity under section 3(3)(b) fails."

20. Moving on to the revocation pursuant to section 46(1)(d), having regard to the findings in *Emanuel* and in *Scandecor Development AB v Scandecor Marketing AB* [1999] FSR 26 and [2002] FSR 7, as well as having regard to the textbook *Kerly's Law of Trade Marks and Trade Names*, David Stone said:

"95. […] In *Emanuel*, the Court of Justice, having considered the EU equivalent of section 3(3)(b), was asked to consider the EU equivalent of section 46(1)(d). For ease, I have substituted the section numbers of the TMA into the following excerpt from the Court of Justice's judgment at paragraph 53:

> "53. Since the conditions for revocation laid down by [section 46(1)(d)] are the same as those for the refusal of registration under [section 3(3)(b)], analysis of which has formed the subject of the reply to the first two questions, the reply to the last two questions must be that a trade mark corresponding to the name of the designer and first manufacturer of the goods bearing that mark is not, by reason of that particular feature alone, liable to revocation on the ground that that mark would mislead the public, within the meaning of [section 46(1)(d)], in particular where the goodwill associated with that mark has been assigned together with the business making the goods to which the mark relates."

96. Counsel for the Defendants relied on the decisions of the Court of Appeal and House of Lords in *Scandecor Development AB v Scandecor Marketing AB* [1999] FSR 26 and [2002] FSR 7. I do not consider that those judgments assist the Defendants. The House of Lords was unable to reach a concluded view, and referred various questions to the Court of Justice for a preliminary ruling. The dispute settled prior to the Court of Justice giving that ruling, so the referred questions were never answered. The learned authors of *Kerly's* Law of Trade Marks and Trade Names, 16th ed (2018) note at paragraph 12-170:

> "The facts in *Scandecor* [2002] FSR 7 were complicated. Due to the fact that the case settled before the questions referred by the House of Lords to the ECJ were considered, it is somewhat difficult to predict what the outcome would have been. The case does not really shed much light on s.46(1)(d) other than emphasising that it raises an issue of fact."

97. Further, the judgments in *Scandecor* pre-date the clear statement of the Court of Justice in *Emanuel*, which I have set out above.

98. In my judgment, for the same reasons as I have set out above in relation to section 3(3)(b) of the TMA, section 46(1)(d) of the TMA is not engaged where the only "deception" is as to who is using the mark to provide goods or services. That sort of deception is remediable under the relative grounds for revocation of a registration. The Defendants' application for revocation under section 46(1)(d) also fails."

Preliminary issue

21. At the hearing Ms Blythe submitted that:

> "Right now we are in a position where if the other side suddenly start using [their mark] that is going to be really damaging to our client, absent 46(1)(d) being there to help us, there is nothing we could do about it because of Brexit sort of giving you a five year fresh go at UK use".

22. The *"five year fresh go at UK use"* was an argument that was not foreshadowed by the skeleton arguments nor by the Applicant's pleadings, and I asked Ms Blythe to clarify what she meant. She submitted as follows:

> "That is one of the difficult points that I think needs to be addressed fully and not at strikeout stage because in this specific scenario you have a comparable mark created post Brexit, and you cannot revoke it for five years after 1 January 2021, so you are waiting until 1 January 2026. But you are in this position like the *Inter Lotto* hypothetical example, where we've already got goodwill (obviously in our case this is all dependent on the facts) but in our case we've already got rights in this name. And so what happens in the interim? Are the other side just able to start using in the UK? Is that the correct position? We say no, but it's a real question that needs to be determined, or can we rely upon 46(1)(d) to say yes, you have this registration, yes, you've been granted a comparable mark, but your failure to use it in the 20 years up

> until Brexit in the UK, and so your choice not to use it here [in the UK], and your choice to allow us to continue using the name here [in the UK] changes the position, and we can now bring a sort of misleading mark 46(1)(d) case against you to get rid of the mark before January 2026."

23. Whilst the issue of the *"five year fresh go at UK use"* is not the question before me to answer, this appears to be a factor behind the Applicant's proposed action under section 46(1)(d). However, the submission about the 'fresh use period' is wrong in law and one that I consider necessary to address as a preliminary issue.

24. The UK left the EU after the expiry of the transition period – which came to an end on 'IP Completion Day' i.e. 31 December 2020 at 11:00 pm. Under Article 54 of the Withdrawal Agreement, the UK Registry created comparable UK trade marks for all holders with an existing EU trade mark ("EUTM") registered before 'IP Completion Day'. These comparable trade marks were recorded in the UK trade mark register and as a consequence, have the same legal status as if they had been applied for and registered under UK law. A 'comparable trade mark (EU)' retains the same filing date, priority date (if applicable) and registration date of the EUTM from which it derives - see Schedule 2A of the Act. Thus a comparable trade mark (EU) is treated as though it is registered under the Act (Schedule 2A Part 1, paragraph 1 of the Act).

25. For a national trade mark, an uninterrupted period of 5 years non-use in the UK can render a mark vulnerable to challenge. However, it was recognised that applying this approach to comparable UK trade marks created on 1 January 2021, many of which correspond to EUTMs that have never been used in the UK, would not provide enough protection for those new comparable rights. It would likely lead to outcomes that are unintended and unjust.[9]

26. To address this, when assessing genuine use of comparable trade marks (EU), the use conditions set out in the Act are to be read in conjunction with Schedule 2A, Part 1, paragraph 7 (opposition proceedings) and paragraph 8 (revocation proceedings) of the Act. The new law ensures that any genuine use of the mark in the EU made before 1 January 2021 (i.e. prior to IP Completion Day), whether inside or outside the UK, counts as use of the comparable UK right ***for the purposes of satisfying the use conditions set out in the Act*** i.e. the 'genuine use' conditions.

[9] See the guidance published by the UKIPO on 'EU trade mark protection and comparable UK trade marks', 30 January 2020, available on the UK Government website, www.gov.uk.

Whereas after IP Completion Day any ***genuine use*** of the comparable mark must relate solely to the UK.

27. Use of an EUTM in the territory of a single member state of the EU, might satisfy the use conditions for genuine use of an EUTM and that use might count towards use of the comparable mark.[10] However, the applicable case law principles for assessing genuine use still apply.

28. For the avoidance of doubt, the creation of the comparable trade marks (EU) on 1 January 2021 did not create a fresh 5 year 'grace period' in which the owner could rely on its comparable mark in the UK without having to show any use at all and/or could not be challenged for non-use.

29. As time lapses post IP Completion Day, there will be instances where the entirety of a relevant five year period will fall after 1 January 2021, thus use outside the UK may no longer be relevant.

The Hearing

30. The hearing took place before me as scheduled. Ms Blythe made submissions at the hearing in relation not only to the specifics of the Applicant's claim under 46(1)(d) (thus elaborating on her skeleton arguments), but also in relation to the *Cormeton Fire* decision as well as submissions in response to questions I posed at the hearing. For ease I have set out Ms Blythe's submissions under several headings below.

'As far as the Applicant is aware the Proprietor has never used its mark in the UK'

31. It is submitted that *"the Applicant believes that the Proprietor provides some technology / computing services under the name ALTIA primarily in Spain, but has not made use of the Contested Mark across the full breadth of its specification and has never made any use of it in the UK."*[11] In contrast it is submitted that the Applicant has been using the ALTIA name in the UK since around 2003,[12] and that because the Applicant has been using ALTIA in the UK for 22 years it has goodwill associated with that sign.

[10] As regards the territorial scope of the use of an EUTM, see *Walton International Ltd & Anor v Verweij Fashion BV,* [2018] EWHC 1608 (Ch), paragraph 118.
[11] See the Applicant's skeleton arguments – this argument was reiterated at the hearing.
[12] I note that this date is some 4 years after the 1999 filing date of the Proprietor's mark.

'The Applicant's claim under section 46(1)(d) is a straightforward claim for passing off'[13]

32. In essence, the Applicant's claim for revocation is that (my emphasis for clarity) **if** the Proprietor were to **commence use** of its mark in the UK, that would amount to passing off because its use would deceive the public as to the origin of the goods and services; and that the argument being run is *"one of preventing deception as to trade origin, albeit of a different kind to that seen in 'Scandecor' and 'Elizabeth Emanuel'."*[14]

33. According to the Applicant, the question as to whether section 46(1)(d) should be interpreted so as to cover allegations of passing off (like the one being run in this case) is a novel point of law and according to the Applicant the question to be addressed is, 'is the Applicant's case at least arguable?', and Ms Blythe submits that it is. Her skeleton arguments make the following reference to the White Book Notes to the CPR r.3.4 at §3.4.2 (emphasis added by Ms Blythe):

> "A claim or defence may be struck out as not being a valid claim or defence as a matter of law *(Price Meats Ltd v Barclays Bank Plc [2000] 2 All E.R. (Comm) 346, Ch D).* However, it is not appropriate to strike out a claim in an area of developing jurisprudence, since, in such areas, decisions as to novel points of law should be based on actual findings of fact *(Farah v British Airways, The Times, 26 January 2000, CA referring to Barrett v Enfield BC [2001] 2 A.C. 550; [1989] 3 W.L.R. 79, HL)*. … An application to strike out should not be granted unless the court is certain that the claim is bound to fail (*Hughes v Colin Richards & Co [2004] EWCA Civ 266; [2004] P.N.L.R. 35, CA* (relevant area of law subject to some uncertainty and developing, and it was highly desirable that the facts should be found so that any further development of the law should be on the basis of actual and not hypothetical facts))."

[13] See the Applicant's skeleton arguments paragraph 12 and related footnote i.e. Footnote 2 of the skeleton arguments states: "It is well established that ownership of a trade mark does not prevent goodwill being generated by another mark, and that use of a trade mark can amount to passing off. See, for example, *Scandecor*."
[14] See the Applicant's skeleton arguments paragraph 15.

'The types of deception listed in 46(1)(d) are not limited to nature, quality or geographical origin'

34. It is submitted that the inclusion of the word 'particularly' in section 46(1)(d) of the Act means that it is clear that the types of deception listed are not limited to merely 'nature, quality or geographical origin' of the goods or services; that the list is illustrative and not exhaustive, and therefore the deception covered by that section of the Act could extend to deception as to trade origin of the goods or services.

35. It is also submitted that the *"leading cases"* concerning deception as to trade origin under section 46(1)(d) are *Scandecor* and *Emanuel, "both of which concerned transfers of business with or without goodwill and resulting deception as to origin."*[15] Ms Blythe submitted these are authorities where deception as to trade origin has been run as an argument under 46(1)(d) and that whilst those cases raised complex issues of law and were not decided on this head of claim, the allegation of deception as to trade origin was not struck out as not being arguable.

'*Inter Lotto:* a Court of Appeal authority that the Applicant's claim under 46(1)(d) is at least arguable'

36. The premise for this submission is that in *Inter Lotto*, Counsel for the Respondent, Geoffrey Hobbs KC, postulated that 46(1)(d) could be used to secure revocation when posed with a notional example of facts i.e. Counsel was asked to consider a notional example in which a first trader starts to use a trade mark "X" and uses it extensively so as to build up valuable goodwill and reputation, and at the same time a second trader registers the trade mark "X" but that second trader does not use the mark until 4.5 years later[16] – (see my paragraph 15 for the exact wording of the notional example); and it is submitted that although Carnwath LJ was not convinced Mr Hobbs' argument was correct, it was not necessary to reach a decision on this issue on the facts of that case so it was not fully considered.[17]

[15] Paragraph 14 of the Applicant's skeleton arguments.
[16] Applicant's skeleton arguments paragraphs 17 and 18.
[17] Ibid.

‘The same considerations that apply to the absolute ground under section 3(3)(b) should not necessarily apply to the revocation ground under section 46(1)(d); and that case law on the absolute ground does not necessarily carry straight over to the revocation ground’

37. Ms Blythe directed me to *Kerly’s Law of Trade Marks and Trade Names, 17th Edition 2023* (***“Kerly’s”***), which she submitted is the leading trade mark textbook. In particular she referenced a discussion on an ‘unresolved issue’ about whether section 46(1)(d) applies where a mark becomes misleading as to trade origin.[18]

38. *Kerly’s* states there is an argument to support the notion that it does not, because section 46(1)(d) uses the same examples as the absolute ground under section 3(3)(b) — the nature, quality or geographical origin of the goods/services, and that *“deception as to trade origin invokes relative grounds for refusal and not absolute grounds because another trading reputation must be involved to give rise to the deception.* […] *The flaw in the argument* […] *is that it transposes the context of the absolute grounds into the ground for revocation, and there is no warrant for doing that.”*

39. Ms Blythe noted that this passage of *Kerly’s* concludes by saying *“furthermore, it is difficult to think of any reason why, if a mark does mislead the public, it should escape revocation.”*[19] Although she acknowledged *Kerly’s* does not cite an authority for this conclusion and submitted that there is no one that has ever found that it can fall under this ground and stated that that was where *“we thought we were up to”*, until I had drawn the Applicant’s attention to the *Cormeton Fire* case ahead of the hearing. Ms Blythe noted in passing that the 2023 edition of *Kerly’s “doesn’t interestingly refer to the Cormeton* [*Fire*] *case”* (although I make no inference from this observation, as the omission of that case from a textbook is certainly not determinative as to the relevance of that decision).

[18] *Kerly’s Law of Trade Marks and Trade Names, 17th Edition 2023,* Chapter 12, paragraphs 165 to 166.
[19] Ibid.

'The judge's decision in *Cormeton Fire* is wrong and it does not operate as an absolute bar to the bringing of this claim under section 46(1)(d). The claim still remains arguable and therefore should be the subject of a full argued, full evidence hearing and not just struck out at this stage'

40. Ms Blythe stated that the *Cormeton Fire* case did not come up in their searches but that she did have a number of submissions to make on it, and that even though she acknowledged that this case initially appears unhelpful to the Applicant, her overarching submission is that the Applicant should still be allowed to run its argument despite what was held in this case. She submitted that the judge's decision in *Cormeton Fire* is wrong for two primary reasons (and submitted a third reason as a fall-back position).

41. Firstly she submitted that it was wrong for the judge to carry across his findings from 3(3)(b) into 46(1)(d),[20] because although both of these sections of the Act are targeted at misleading marks, she submitted that they are nonetheless fundamentally different as section 3(3)(b) is an absolute ground attack because it voids the mark *ab initio,* whereas 46(1)(d) does not – that the 3(3)(b) ground is looking at the position from when the mark was filed, and the 46(1)(d) ground is looking at the position from a later date where things have changed.

42. Elaborating further on that point she submitted that *"with a 3(3)(b) attack you are looking at point of registration, and therefore if you have a relative grounds-type attack (such as passing off or an earlier mark etc.) you need to bring it under section 47 with section 5 because you get the same outcome under both"*.

43. Turning to the present case, Ms Blythe submitted that (my emphasis for clarity):

> "The problem is with revocation, because here we have a situation where we are not saying the mark was originally invalid on relative grounds, but we are saying in this particular factual scenario, we're in a position where **a commencement of use** of this mark would be misleading and there is no other way in which the Applicant here can attack the mark on that basis, because the section 5, section 47 invalidity doesn't apply here – we're not talking about right at the start at the date of application of the mark, we're talking about circumstances that are different – so

[20] In this respect, Ms Blythe was referencing paragraph 98 of *Cormeton Fire.*

that consideration [by David Stone in *Cormeton Fire*] that it's going to run roughshod through the section 5 grounds, we say that doesn't apply here."

[And that]

"We say, as in the hypothetical example in *Inter Lotto*, or in the facts of this [present] case, if you can't bring the claim under 46(1)(d) you are left in a bit of a black hole. There is no other way to bring that type of attack and it would be strange if that type of deception were allowed to stand. So that's the main argument we make."

44. Ms Blythe submitted that David Stone relies primarily upon the *Emanuel* case and that he points to paragraph 53 of that decision. But she submits that *Emanuel* is fact specific and that:

"The Court of Justice never says deception as to trade origin can't fall within section 46(1)(d), it just says in this particular scenario […] it doesn't fall within 46(1)(d). Again we say *Kerly's* sort of supports us on this and is quite helpful [in particular the following passage which references paragraph 53 of *Emanuel*]:

"12-171 […] on the revocation ground, what the Court of Justice actually says [in *Emanuel*] is that if the mark, goodwill and business are all assigned together, that does not make the mark liable to mislead the public."[21]

45. Secondly, Ms Blythe submitted that the facts in *Cormeton Fire* are different to those of the instant case. She states that *Cormeton Fire* concerns *"two parties that had both traded under the same name and the issue was, had the goodwill become separated from the mark, and did it represent a single undertaking or had it become misleading?* [Whereas in this instance] ***we have a trademark owner that has never traded the mark in the UK, so it's not a question of separation of goodwill"*** (my emphasis for clarity).

46. Ms Blythe continued by making the following submissions:

"The question is, do we have the goodwill and if the other side started using [their mark] would that be a sort of damaging misrepresentation? Actually what we say is that this issue really is a completely novel one that wasn't addressed in *Cormeton*

[21] I note that this was because the trade origin remained guaranteed by the new owner of the trade mark – the goodwill was not split between the old owner and the new owner.

Fire and hasn't been addressed in any case, as far as we're aware, in that it really is a specifically sort of post Brexit issue, because what we have here is an even more extreme version of the hypothetical problem that was posed in *Inter Lotto*.

In *Inter Lotto*, the judge proposed this idea that you have two people starting at the exact same time, one registering, one using, and then the person with the trademark starting to use it 4 and a half years later. Here we have a scenario where the registration dates back to 1999, so it's over 25 years old, but the applicant can't necessarily cancel it for non-use because if the proprietor has used it elsewhere in Europe, it's able to rely upon that use up until the end of 2025. So even though the proprietor hasn't used the mark for over 25 years, we can't necessarily apply to cancel it for non-use. We are in a scenario where the only option available to us is 46(1)(d), so we say it's a completely novel issue. It's a sort of post Brexit version of the *Inter Lotto* example and that is a new issue that we do say needs resolving not just in a preliminary issue hearing, but on a full evidence, fully argued basis."

47. Ms Blythe's third (fall-back) reason as to why *"Cormeton Fire isn't especially troubling"* is that the authority is not of significant weight. Specifically because she submits: (i) the Court of Appeal case of *Inter Lotto* hasn't been referred to or considered by the judge or put forward by Counsel in that case; (ii) it is a decision of IPEC, therefore it is not an extremely high authority;[22] and (iii) she is not convinced that the finding at paragraph 98 is part of the ratio of the case – submitting that:

"It's not easy to say. The judge found that the mark had not become misleading as to trade origin anyway. So on the facts of the case, the defendant's case wasn't upheld. So it's arguable that the legal finding that it should not probably fall within 46(1)(d) anyway was only *obiter dicta*. We're not 100% sure on that. It's not clear from the way the decision sets it out, which way round that falls. But we would say it plainly wasn't the key point of the case on which much of the argument and the case was based".

48. That concluded Ms Blythe's initial submissions. I then posed a series of questions to Ms Blythe and I have set them out under the headings below.

[22] Ms Blythe added to this second point by submitting that *"if we were to proceed with a hearing in this Tribunal, it would be open for both parties to appeal directly to the High Court to get a sort of higher authority on the point in quick order".*

‘The relevant date under section 46(1)(d)’

49. I asked Ms Blythe to clarify an issue with regard to the relevant date. I noted that Ms Blythe had submitted that, as far as the Applicant is aware, the Proprietor has not used its mark in the UK yet, and as this is a claim for revocation on grounds other than non-use, I asked what she proposed is the relevant date for assessment if the Applicant is claiming that the use has not happened yet. Ms Blythe replied as follows (my emphasis for clarity):

> “I suppose the relevant date would be the date from which the applicant has goodwill, because once the applicant has goodwill, then **were the proprietor to start using**, then our argument would still apply. So if we had goodwill as of 20 years ago, then that's the date at which the revocation I think should take effect.”

50. I noted that whilst she had submitted that running this argument is novel, the issue as to the relevant date remained. Therefore I asked, if this went before a Hearing Officer, how did she propose a decision could be implemented if there is no specific relevant date being claimed?

51. Ms Blythe said that she stood by what she had submitted originally i.e. *“that the relevant date will be the date at which the Proprietor’s use would be misleading and we say that's the date that's already in the past.”* She continued by submitting that:

> “We say actually this revocation action could have been brought up to 20 years ago. We've been using it in the UK for 22 years, so we say actually 21 years ago or 20 years ago, we had goodwill. We would have been able to stop the other side in passing off; ignore the marks for a moment, but we would have been able to establish a passing off claim against the other side here in the UK back 20 years ago [because] we had goodwill at that stage. Now obviously the revocation application has been brought now (or you know last year). So fundamentally the question is when can we establish goodwill. If in our evidence we focus on the date of application and say that's the date we're going for (that's the date we want revocation from) then so be it. But we might say, actually we've had goodwill since at least 10 years ago and so the mark should be revoked back to 10 years ago. I think it depends upon the date in which we can establish that use of that mark would have been misleading. […]

I think that's just the difference between us being in the Registry. It is almost like an interlocutory application. It's saying if they were to use the mark it would be misleading. So they haven't used it yet, but if they were to start use today or tomorrow or next year, it would be misleading. And that, we say, falls within 46(1)(d), and then the question is how far can we go back? Well, when can we establish that it would have been misleading from? As I said, I don't know what the evidence is going to show, but if the evidence establishes it in 2024, that's fine because the other side still haven't started using, so we can still establish passing off rights prior to their use. If we're establishing back to 2014, 2004, it would be the date at which we could establish that the other side's use would be misleading if it started at that date.

But I think that is just the difference with us being in the Registry and talking about revoking a mark versus in the courts where you're talking about use cases where both parties have used. We are in a scenario where one side hasn't yet started to use it, but it would be an odd situation if we had to wait for the other side to use before we could allege that the use is misleading, rather than saying if they were to use that would be misleading."

‘Why is this a straightforward claim for passing off under section 46(1)(d)?’

52. I referenced the skeleton arguments and asked Ms Blythe to elaborate on her submission as to why this is a straightforward passing off case under section 46(1)(d). She made the following submissions:

"Absent the registered marks, the basic claim that we are running is that we've been trading. We've got goodwill. […] it's almost like applying for an interim injunction – you don't have to wait for the other side to start using a mark to be able to bring a claim against them if they have an intent to use or a threatened use – then you can bring a claim. Just like in the Registry they have a mark and they tick the box that says ‘I intend to use’ (which is effectively like a statement that that is the mark that they’re going to use in the UK) and we're saying were they to start using it, it would be misleading.

Now, obviously, if they don't start using and then we get to 1st of January next year [i.e. 1 January 2026], the [Applicant] is in an easy position where they can just apply to revoke the mark in the UK for non-use across the breadth of the specification (if they haven't used). But right now we're in a position where if the other side suddenly start using, that's going to be really damaging to [the Applicant], absent 46(1)(d)

being there to help us, there is nothing that we could do about it because of Brexit sort of giving you a five year fresh go at UK use."[23]

DECISION

The relevant provisions

Revocation

53. Section 46 of the Act provides the grounds of revocation of a registered trade mark. Section 46(1)(d) of the Act states:

> "(1) The registration of a trade mark may be revoked on any of the following grounds—
>
> […]
>
> (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."

'Striking out'

54. Part 4.19 of the Tribunal Section of the Registry's Manual of Trade Marks Practice provides guidance in relation to 'striking out'. This section makes reference to part 3.4 of the Civil Procedure Rules ('CPR') as giving the general basis for striking out, in particular, part 3.4 of the CPR makes provision for the court to strike out a statement of case if it appears that it discloses no reasonable grounds for bringing a claim. Part 4.19 of the manual continues as follows:

> "It may be appropriate when scrutinising the statement and counterstatement for the Tribunal to consider striking out a ground of objection […]. A ground of objection may be struck out as it has no chance of success."

[23] I have already addressed the submission about the *"five year fresh go at UK use"* as a preliminary issue.

Considerations

Provisions of the Act and interpretation of section 46(1)(d)

55. Section 46 of the Act sets out the provisions with regard to the revocation of a trade mark, with section 46(1) setting out the four grounds. The first two grounds are for reasons of non-use i.e. that either a mark has not been used within the five years following its registration (section 46(1)(a)); or that use has been suspended for five years (section 46(1)(b)). The remaining two grounds are for reasons other than non-use. i.e. they allege 'genericide' (section 46(1)(c)); or 'deception' as a result of use, particularly as to the nature, quality or geographical origin of the goods or services (section 46(1)(d)).

56. It is clear to see why the 46(1)(d) ground is compared with the section 3(3)(b) ground, this is because both provisions use the same wording i.e. nature, quality or geographical origin. I would therefore be remiss to interpret the provision in section 46(1)(d) without referencing section 3(3)(b), and it is not only clear that this was the approach that David Stone took in *Cormeton Fire*, it is also the approach taken by the Court of Justice in *Emanuel,*[24] and it is the approach *Kerly's* takes – the latter devoting a section of its Chapter 12 (17th edition) to comparing the 46(1)(d) ground with the section 3(3)(b) ground, moving on then to note that revocation under 46(1)(d) is a question of fact, to then contemplating the application of this provision.

57. The learned authors of *Kerly's* state (footnotes included) – my emphasis for clarity:

> "Comparison with Absolute Ground s.3(3)(b)
>
> 12-160 The difference appears to lie in the fact that the vice caught by absolute ground **s.3(3)(b) is inherent in the meaning of the mark itself, absent use, whereas the vice caught by s.46(1)(d) is a consequence of use**. **Apart from that, they are aimed at the same vice.**
>
> 12-161 There are two differences of significance between absolute ground s.3(3)(b) and this [s.46(1)(d)] ground for revocation. The first relates to **the date at which the position is assessed**. The absolute ground for refusal (and invalidity)

[24] Paragraph 53 of Emanuel – i.e. that the conditions for revocation laid down by [section 46(1)(d)] are the same as those for the refusal of registration under [section 3(3)(b)].

requires the position to be assessed at the date of application for the mark. **This revocation ground requires the position to be assessed as at the date of application for revocation.**[177] The second concerns the **cause of the deceptiveness**. Under absolute ground s.3(3)(b), the cause does not matter: a deceptive mark shall not be registered. **The revocation ground only operates if the deceptiveness has been caused by the use which has been made of the mark by the proprietor or with their consent**. In other words it is deceptiveness for which the proprietor is responsible […].

12-162 This ground for revocation (like absolute ground s.3(3)(b)) **looks to the mark itself and whether the mark itself is liable to mislead the public**. However, **the liability to mislead must arise from the use made of the mark**, something not required for [the] absolute ground […]. Either way, **"the court must have due regard… to the message which [the] trade mark conveys"**[179] —it is that which must mislead. **This ground for revocation does not encompass passing off-type deceptiveness. It is in the nature of an absolute objection—not a relative objection based on the mark of a different trader.**

A question of Fact

12-163 **This ground of revocation raises a question of fact**[180]: is the mark liable to mislead the public in consequence of the use made of it? […] **The question of fact must be answered having regard to matters as they now are (i.e. at the date of application for revocation), not as they were at some time in the past.**[183]

Application

12-164 The application of this provision is likely to be relatively rare. In theory, one can postulate circumstances in which it becomes applicable and we set out some possibilities. As discussed later, in practice the facts can be complicated and/or give rise to difficult issues.

(1) As originally registered and used, the mark contained a correct allusion to the nature of the goods or services. However, there may be a change in use, so that the mark is then used on goods or services which do not possess the quality to which the mark alludes. The mark is then liable to mislead the public and in consequence of the use made of it.

(2) The same would apply for a mark which alluded to the quality or geographical origin of the goods or services. Such a change of use can take place at any time, but is more likely to occur following assignment. […]

(3) If the mark is assigned without goodwill, so that the mark and goodwill are separated, the mark is then likely to deceive the public as to origin.

(4) Equally, if the mark and goodwill become separated for some reason other than by an assignment without goodwill, the mark will then be liable to mislead the public.

(5) Separation of goodwill from the mark can occur through a sustained period of uncontrolled licensing in conjunction with the public coming to identify the licensee as the origin of the goods.

In practice, the first two examples are straightforward and the other three are frequently not. They require some further discussion.

Footnotes:

[177] Confirmed by the Appointed Person (David Kitchin QC) in *Elizabeth Emanuel (0-017-04) 16 January 2004, [2004] R.P.C. 15* at [34]. The Hearing Officer misunderstood [49] of the Opinion of Lord Nicholls in *Scandecor [2002] F.S.R. 7 HL* to say that it was the date of the hearing.

[…]

[179] Per Lord Nicholls, [49] in *Scandecor Development AB v Scandecor Marketing AB [2002] F.S.R. 7 HL* at 122.

[180] Lord Nicholls again, in [49] of *Scandecor [2002] F.S.R. 7 HL.*

[…]

183 Lord Nicholls again, in [49] of *Scandecor* [2002] F.S.R. 7 HL."

58. Ms Blythe has submitted that the kinds of deceptiveness listed in 46(1)(d) are illustrative because of the word 'particularly'. I agree with this submission, and this submission is in line with David Stone's comments in *Cormeton Fire* at [86] of that decision. It is because this list is non-exhaustive that the Applicant postulates that deceptiveness could relate to trade origin.

59. Returning to the paragraphs contained in Chapter 12 of *Kerly's* which Ms Blythe had directed me to earlier (namely 12-165 and 12-166), I note that *Kerly's* continues at the end of 12-166 by stating *"Assuming that this provision is capable of applying in cases where a mark is misleading or is liable to be misleading as to trade origin, the next issue is to attempt to identify the principles which should apply."* Even if section 46(1)(d) could include deception as to trade origin, one thing that is clear from

Kerly's is that it moves on to discuss the 'applicable principles' derived from *Emanuel,*[25] in the context of cases where the mark and goodwill are separated for some reason and it is that separation which *Kerly's* contemplates could lead to the mark deceiving the public as to trade origin – it does not contemplate these applicable principles in relation to any claims for passing off-type deceptiveness.

60. *Kerly's* makes reference to cases involving an assignment with goodwill (*Emanuel* – where there was no separation of the goodwill – therefore the mark was not liable to mislead the public because trade origin came from one undertaking i.e. the new owner of the trade mark); and an assignment without goodwill (*Scandecor*) i.e. where the mark and goodwill are separated. In further reference to *Scandecor*, *Kerly's* states that the case does not really shed much light on 46(1)(d) other than emphasising that it raises an issue of fact.[26] I note that *Cormeton Fire* also involved separation of goodwill and it was found that 46(1)(d) did not apply to deception as to trade origin.

61. I consider *Cormeton Fire* to provide a useful assessment of the interpretation of section 46(1)(d) and what the legislature intended by the inclusion of this post-registration action. In my opinion 46(1)(d) serves to cover scenarios whereby a trade mark registration did not fall foul of section 3(3)(b) at point of registration, but something has happened along the line post-registration that has led to the trade mark becoming liable to mislead the public (because of the way the mark has been used by the trade mark owner itself or someone who has the trade mark owner's consent to use it – such as a licensee). An example of a simple scenario would be where a mark contains an allusion as to the quality of the goods – 'pure new wool' in relation to clothing (which is a desirable quality consumers are willing to pay more money for). The trade mark proprietor begins using its mark on clothing made of wool but eventually it ends up using it on clothing made of synthetic fibres – the mark would therefore be liable to mislead the consumer as to the quality of the goods.

62. Fundamentally, the wording of section 46(1)(d) presupposes use of a trade mark i.e. a claim for revocation under 46(1)(d) alleges that the use made of a registered trade mark has led to the mark becoming misleading. Thus the liability to mislead must arise from the use that has actually been made of the mark and there is no way

[25] See Chapter 12 of *Kerly's*, paragraph 173.
[26] See footnote 200 to paragraph 175 of Chapter 12 of *Kerly's*.

to circumvent that. Even though this section of the Act contains a non-exhaustive list with regard to the kind of deception, the use of the mark still has to have occurred (in any event) by the time the claim is made. An intent to use a mark is still not actual use of a mark.

63. Furthermore, in my opinion, the policy intention behind section 46(1)(d) is one that enables a post-registration challenge on the basis of absolute grounds, and such challenge arises as a result of misdescriptive use of an element within a mark;[27] and that the reason the wording of the Act includes a non-exhaustive list of absolute grounds reasons, is to allow leeway for additional types of absolute grounds reasons, rather than to open up to the possibility of any relative grounds-type claims. This is because a claim under section 46(1)(d) must have regard to the message which the trade mark conveys, and whether that message is liable to mislead – not whether the consumer is liable to be misled as to who is providing the goods or services.

Passing off and the relevant date

64. The Applicant contends that its claim (under 46(1)(d)) is a straightforward case of passing off, and that although the Applicant has only brought its claim now, it could have established passing off at least 10 years ago and could have applied to revoke the mark even back then. Ms Blythe gave me no specific indication as to the date of revocation sought, merely that it would be from when the Applicant could establish goodwill.

65. It has been confirmed in *Emanuel* and *Scandecor* that revocation under section 46(1)(d) requires the position to be assessed as at the date of application for revocation. Indeed, it was made clear in *Scandecor* that this ground for revocation raises a question of fact, and that the question of fact must be answered having regard to matters as they now are (i.e. at the date of application for revocation), not as they were at some time in the past.

66. One of the overriding issues I have with the Applicant's submission that this is a straightforward case of passing off under section 46(1)(d), is that the Applicant is asserting that use of the Proprietor's mark has never occurred in the UK and that its

[27] For example, 'pure new wool'. Also, with regard to deception as to 'geographical origin' for example, the trade mark MÖVENPICK OF SWITZERLAND was revoked because the goods concerned were produced in Germany, rather than Switzerland (12/02/2009, R 697/2008-1, MÖVENPICK OF SWITZERLAND).

use appears confined to Spain. Even if a passing off action could be run under section 46(1)(d) (and I am not saying that it could), given that this section of the Act presupposes use, the use complained of would, as a matter of fact, had to have occurred at the time of making the claim under the Act; moreover, given that passing off is a common law action, the use would have had to have occurred in the UK.

67. As previously noted, the learned authors of *Kerly's* point out that this ground for revocation does not encompass passing off-type deceptiveness. Indeed, I note that any claim for revocation under section 46 is not a claim based on pre-existing rights – this is because the Act provides that any person could bring such a claim. In addition, when *Kerly's* discusses liability to mislead as to trade origin, the discussions (and the applicable principles) are in reference to scenarios where there has been some assignment or division of a business, in which it was alleged that deception as to trade origin could occur because the origin could be misleading following assignment/ division of the business.

68. The Applicant in this instant case is in a position where it has applied for trade mark registrations in the UK and those applications are threatened by the oppositions brought by the Proprietor relying on its comparable mark (EU), and the Applicant now seeks to remove the Proprietor's comparable mark from the Register through revocation, which, if it were successful, would clear the path for its trade mark applications to proceed to registration.

69. I accept Ms Blythe's submissions that invalidation is not an option for the Applicant whereby a passing off claim is brought under section 47 of the Act, since the filing date of the EUTM is December 1999 (and the registration date is January 2002), whereas according to Ms Blythe's submitted timeline, the Applicant started using its sign in the UK in around 2003. This obviously post-dates the relevant date for a claim for invalidation based on a claim for passing off under section 5(4)(a) of the Act.

70. Remaining on that last point, I note that section 5(4)(a) of the Act is in the nature of a relative grounds claim based on a pre-existing right, and it only recognises rights acquired through use as being superior when they are acquired before or by the filing date of a trade mark application – not later. Therefore, if section 5(4)(a), being the specific passing off action under the Act, does not recognise rights acquired

through use as being superior if they are not acquired by the date of application for registration, then I do not see how a separate statutory provision, namely 46(1)(d), could be piggybacked to run a passing-off claim arguing that rights acquired through use are superior when they are acquired after the date of application for registration (which is what the Applicant is essentially arguing).

71. In other words, the Act does not recognise passing off cases such as the one in *Inter Lotto*, where the relevant date for assessment of goodwill is later than the filing date of a trade mark application, which is why fundamentally in *Inter Lotto*, the Court of Appeal points out that nothing in the Act affects the law of passing off (and by this it means the common law of passing off).[28] I consider the shoehorning of a passing off action under the guise of section 46(1)(d) to be contrary to the scope of that section of the Act and not within the purview of a claim for revocation under the Act. Whilst the Registry can hear passing off actions under section 5(4)(a), in all instances, those passing off actions will require (as I have already mentioned) goodwill to have been established before or by the time a trade mark application is made.

72. Setting aside section 46(1)(d) for a moment, I note that it was even held in *Inter Lotto* that the relevant date of assessment of goodwill in a common law claim for passing off (i.e. one not brought under the Trade Marks Act 1994), is the date of the commencement of the conduct complained of i.e. the action crystallised when use of the registered mark actually commenced – the relevant date was not based on an intent to use the registered trade mark – which presumably would have been the filing date of the trade mark application.

73. Therefore the 'intention to use' point raised by Ms Blythe does not convince me as a suitable reason to bring a common law-type claim for passing off under section 46(1)(d) either (where the right being relied on was acquired after the filing date of the registered mark). The 'intention to use' the registered mark in the UK has existed since 1999 when the EUTM was applied for. Nothing has changed on that front post-Brexit. As it was noted in *Inter Lotto*, the right conferred by a registered trade mark is not the right to use a mark in any event. Thus the mere existence of *Camelot*'s registration did not bring about the common law action for passing off, because the conduct complained of (i.e. the misrepresentation) was when *Camelot* actually

[28] See *Inter Lotto* at [35] and [36], as referenced in my paragraph 14.

started using its registration, and that was held to be the relevant date of assessment of goodwill.

74. As to timing, when Mr Hobbs KC contemplated the notional example proposed to him in *Inter Lotto*, he spoke of section 46(1)(d) in the context of the 'future'. Having considered the dispute between *Inter Lotto* and *Camelot*, and taking into account that the preliminary issue was determined by the Court of Appeal prior to *Camelot*'s mark becoming registered, it is clear Hobbs KC is referring to a situation when, and if, the mark became registered. Indeed, the Court of Appeal did not consider the suggestion of an action under 46(1)(d) to be a wholly satisfactory solution to such a scenario, and that potential *"future difficulties"* (such as the one proposed in the hypothetical example) did not mean that we can read into the 1994 Act provisions designed to reconcile the two systems (i.e. the system under the Act and the common law of passing off).

75. Finally, I note *ad nauseam* that the revocation ground under 46(1)(d) requires the position to be assessed as at the date of application for revocation – not at some date in the past and not some date in the future.

Comparable marks (EU) and the question of fact

76. The Applicant has submitted that it has no other way of bringing an action to revoke the Proprietor's mark because of the post Brexit legislation allowing the proprietor of a comparable mark to rely on use in the EU. However, I do not consider the solution to this scenario to be section 46(1)(d) of the Act. As previously noted, where a claim for revocation of a comparable mark (EU) is brought for reasons of non-use, use in the EU could satisfy the genuine use conditions and thus defeat the claim. However, had a claim for revocation based on non-use been brought as far back as 10 years ago (pre-Brexit), the same principles that would have allowed the Proprietor to rely on use solely in one member state,[29] are no different to the Proprietor being allowed to rely on use in a single member state post IP Completion Day – even where that state is not the UK. Thus nothing has fundamentally changed from that perspective and there is no relevant 'Brexit' argument in my opinion.

[29] See *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], Case C-609/11.

77. Whilst, as a matter of fairness and to avoid unintended and unjust outcomes, the Act ensures that any genuine use of the mark in the EU made before 1 January 2021 counts as use of the comparable UK right, (even where those EU territories are not the UK), when looking at it factually, it is not tantamount to saying that the use has 'in fact' occurred in the UK. Therefore if an EUTM/ comparable mark (EU) has never been used in the UK 'as a matter of fact', it follows that there can be no act to complain of.

78. The question of fact to be answered is, at the date of application for revocation, was the mark liable to mislead the UK public because of the use that had (as a matter of fact) been made of it in the UK? I do not consider any section 46(1)(d) claim, no matter what kind of deception is alleged (whether it be nature, quality, geographical origin etc.), could be brought absent actual use of the mark in the UK.

Conclusions

79. The Applicant is attempting to use the 'incomplete list' of scenarios in section 46(1)(d) to justify bringing a claim before this Tribunal (as opposed to seeking any resolution it may have in the Courts) for passing off under section 46(1)(d) on the premise that the kind of deception contemplated by that section of the Act could relate to trade origin (whereas trade origin deception is not even contemplated by the learned authors of *Kerly's* as encompassing passing off-type deceptiveness); and its claim is based on the premise that goodwill can be established after the date of application for registration, using *Inter Lotto* as authority (despite the fact that the relevant date for assessing goodwill in the passing off case in *Inter Lotto* was in relation to the common-law claim for passing off before the High Court, and was not in relation to the claim before the Registry).

80. An action for revocation is not based on any pre-existing rights, yet the Applicant seeks to rely on a right it claims it has acquired through use after the filing date of the contested trade mark application (although contrarily, as I have noted, such rights acquired through use would not be recognised as being superior under the Act). As such it seeks to bring a common law-type claim for passing off under the guise of 46(1)(d), and at the same time it has cherry picked the benefits of a relative grounds claim under the Act – that no actual use of the trade mark complained of has to have been made for the bringing of such a claim (i.e. an intent to use will suffice).

81. In my opinion the action proposed by the Applicant has total disregard for the provisions of section 5 of the Act because it disregards the relative grounds rights conveyed on owners with earlier rights that are recognised under the Act.

82. Furthermore, it appears that what the Applicant is actually seeking to achieve is a circumvention of the action for revocation for non-use under sections 46(1)(a) and (b) of the Act. By its own surmising, it is unlikely to succeed in revoking the mark for non-use – as I have already pointed out, in theory the Proprietor could rely on its use in Spain to defeat an action for revocation based on non-use. However, if the Applicant were allowed to bring an action for revocation under section 46(1)(d) it would circumvent the revocation based on non-use and this would, (to use David Stone's expression in *Cormeton Fire*) *"drive a coach and horses"* not only through the provisions of section 5 of the Act, but in my opinion, it would *"drive a coach and horses"* through the grounds of revocation for non-use under sections 46(1)(a) and (b) of the Act.

83. The Applicant maintains it has an arguable case under section 46(1)(d) despite the fact that that section is a statutory provision which requires the use complained of to have occurred, as a matter of fact, by the time the claim is brought i.e. on the date revocation is applied-for, whereas the Applicant has alleged that the Proprietor has not yet used its mark in the UK. Therefore its claim is based on the possibility that the Proprietor ***may*** start using its mark in the UK and/or that it could have brought a claim against the Proprietor as far back as when the Applicant can establish goodwill. In the latter scenario, the Applicant submits that if the Proprietor had started using its trade mark back then (i.e. the date from which it can first establish goodwill), the Applicant could have brought an action for passing off under section 46(1)(d). The premise of its claim in any event, fundamentally ignores that the liability to mislead under 46(1)(d) must arise from the actual use that has been made of a mark and not an intent to use a mark.

84. Even in a common law claim for passing off (such as the one before the High Court in *Inter Lotto*), a misrepresentation is deemed to be made as soon as the goods or services are made available. If the goods or services have not been made available yet because there has been no use in the UK, then the first of the three branches of the classical trinity of the tort of passing off is missing.

85. The Applicant is currently in a situation where (according to its assertions) use of the mark has not occurred in the UK; and where a proprietor of a comparable mark can rely on use in the EU. I do not think that this situation warrants a re-interpretation of section 46(1)(d) to allow a claim for passing off based on rights purportedly acquired after the filing date of the Proprietor's trade mark.

86. In my opinion Ms Blythe has already answered the question to the Applicant's conundrum in her submissions i.e. *"if* [the Proprietor does not] *start using* [its mark in the UK by the] *1st of January next year, the* [Applicant] *is in an easy position where they can just apply to revoke the mark in the UK for non-use"*. In addition, by citing *Inter Lotto*, she has also answered the question to the Applicant's conundrum of if/when the Proprietor starts using its mark in the UK at some point, this is because *Inter Lotto* confirms that nothing in the Act affects the law of passing off (the common law of passing off recognises that superior rights can be acquired through use after the date of application for registration) and that the relevant date for assessing goodwill is the date of the commencement of the conduct complained of i.e. the common-law action crystallises when use commences in the UK.

87. Although the Applicant seeks to rely on *Inter Lotto* as a basis that its claim under section 46(1)(d) is arguable, the part it relies on in this regard was merely a proposal by Counsel which the judge considered not to be a wholly satisfactory solution anyway. Situations analogous to the hypothetical example in *Inter Lotto* do not mean that we can read into the Trade Marks Act 1994 provisions designed to reconcile the system under the Act and the common law of passing off.

88. Essentially, the Applicant's claim before me attempts to shoehorn the common law of passing off into the statutory provision of section 46(1)(d) and I do not think section 46(1)(d) can be used as a vehicle to bring a post-registration claim for revocation based on a common law claim for passing off; and there is no possibility of circumventing the provisions with regard to use of a comparable mark (EU) by bringing a common law passing off-type deception claim under a section of the Act not intended for such purpose. I therefore uphold the preliminary view.

OUTCOME

89. The reasons provided by the Applicant in its statement of grounds do not appear to fall within the section 46(1)(d) grounds for revocation. Consequently, the

application appears to be without object. The preliminary view has therefore been upheld and the revocation action under section 46(1)(d) will be struck out.

Final remarks

90. The Tribunal caseworker will shortly contact the parties to clarify and confirm the next steps in relation to the consolidated opposition proceedings and the non-use revocation proceedings that remain, in particular the dates for the evidence rounds.

91. Given that the outcome of this decision has terminated the proceedings in revocation application number 508010, the usual appeal period of twenty-one days applies in relation to those proceedings.

COSTS

92. As the TM26(O) has not been admitted into proceedings, and as the Proprietor did not participate in the hearing, no issues of costs arise.

Dated this 18th day of March 2025

Daniela Ferrari
For the Registrar