

TRADE MARKS ACT 1994

**IN THE MATTER OF AN APPLICATION BY
CUSSONS (INTERNATIONAL) LIMITED, UNDER REVOCATION
NO. 8503, TO REVOKE THE REGISTER BY THE
REMOVAL THEREFROM OF MARK NO. 1166439
IN THE NAME OF JASON SABA**

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DECISION

15 The trade mark GRANIT is registered under No. 1166439 in Class 3 (Schedule 4 to the Trade
Marks Rules 1994) in respect of “non-medicated toilet preparations; cosmetic preparations;
soaps; preparations for the hair; but not including any such goods in cream form and not
including preparations for cleaning the teeth; perfumes and essential oils”. The registration
20 stands in the name of Jason Saba.

By an application filed on 25 May 1995, Cussons (International) Limited of Manchester
applied under Sections 46 (1)(a) and (b) of the Trade Marks Act 1994 for revocation of
25 registration No. 1166439, on the grounds that for a continuous and uninterrupted period of
five years ending three months prior to the date of application, the trade mark had not been
used in the United Kingdom by the proprietor, or with his consent, in relation to any or all of
the goods for which the trade mark is registered, and there are no proper reasons for non-use.
The applicant further contends that non-use of the trade mark by the registered proprietor (or
30 any other party, with his consent) has lead to the mark becoming deceptive in the United
Kingdom and this offends against the provisions of Section 46(1)(d) of the Act. The
Applicant asks for an award of costs.

The registered proprietor denies that the mark has not been used during the relevant period
and also asks for an award of costs.

35 Both the registered proprietor, as required under Rule 31(3), and subsequently under the
provisions of Rule 13(3) along with the applicants for revocation, filed evidence in these
proceedings. The matter came to be heard on 3 December 1997 when the applicants for
revocation were represented by Mr J Lewis instructed by Trade Mark Owners Association and
40 the registered proprietor was represented by Mr R Onslow of Counsel, instructed by W P
Thompson and Co.

The Registered Proprietors' Evidence

45 The registered proprietor's evidence, filed with the Form TM8 and Counterstatement under
the provisions of Rule 31(3), comprises a Statutory Declaration dated 8 September 1995 by
Mr Jason Saba of Kensington, London, who states that he is a Trustee of Granite Cosmetics
Ltd, appointed by the shareholders. Granite Cosmetics Ltd also trades as G(NS) Creations.
Mr Saba begins by saying that both he and Granite Cosmetics Ltd have used the trade mark

5 the subject of registration No. 1166439 continuously and extensively since January 1993. The mark has been affixed and applied to packaging in the United Kingdom in respect of the following goods:

10 “Non-medicated toilet preparations; cosmetic preparations; soaps; preparations for the hair; but not including any such goods in cream form and not including preparations for cleaning the teeth; perfumes and essential oils.”

15 Mr Saba states that the trade mark which has been used is the word GRANITE. In his view the word GRANITE sounds like, looks like and conveys the same impression as the word GRANIT which is the registered trade mark. Mr Saba states that the use of the word GRANITE equates to use of the word GRANIT because the former does not differ substantially from the trade mark as registered (the word GRANIT). The use of the trade mark by Granite Cosmetics Ltd has been with his consent and under his control.

20 Mr Saba provides the following approximate annual monetary turnover figures in respect of United Kingdom sales:

	<u>Year</u>	<u>Value</u>
25	1993	£300,000
	1994	£400,000
	1995	£1,000,000

30 Examples of sales in the UK are to

RJ Evans & Associates - goods to the value of £200 in January 1993

British Soap Co Ltd - goods to the value of £540-59 in July 1994

35 These sales are confirmed by a letter from R J Evans & Associates dated 14 July 1994 to a “Mr Sabre” confirming the sale to them of samples and an invoice in respect of the sale to British Soap.

40 Also exhibited are documents relating to the possible supply by Aerosols International Ltd and G W B Products of bottles, packaging etc. in relation to goods bearing the trade mark GRANITE. This correspondence was with an Evelyn Saba of G.G.N.S., a Ghasson Saba, as well with Granite Cosmetics Ltd.

45 Mr Saba goes on to exhibit a variety of samples of the goods to which the trade mark GRANITE has been applied. He states that the goods sold under the trade mark have been extensively advertised and widely made known in the United Kingdom by means of trade magazines, technical leaflets and other advertisements, all of which were published, or samples distributed prior to February 1995.

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5 Finally Mr Saba states that a range of goods including non-medicated toilet preparations, all bearing the trade mark, were displayed at an exhibition entitled CHEMEX held at Wembley in September 1994.

Evidence of the Applicant for Revocation

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This consists of Statutory Declarations by Alaric Paul McDermott and Nichola Amsel.

15 The Statutory Declaration dated 28 March 1996 by Alaric Paul McDermott, Company Secretary of Cussons (International) Ltd, states that he has worked for the company for six years and that he has worked in the toiletries industries for fifteen years. Mr McDermott states that Cussons (International) Ltd is a subsidiary of Paterson Zochonis PLC and has a sister company Cussons (UK) Ltd of which he is also Company Secretary. Cussons (International) Ltd has responsibility for sales of products, including the GRAPHITE range of toiletry products, overseas, and Cussons (UK) Ltd is responsible for all marketing in the
20 United Kingdom.

25 Mr McDermott goes on to state that the mark GRAPHITE was first adopted by Cussons (UK) Ltd in the United Kingdom in April 1991 for a range of mens toiletries and he says that it has been in constant use ever since for toiletries on sale in the United Kingdom through Cussons (UK) Ltd and through Cussons (International) Ltd, for export. He states that GRAPHITE is the subject of UK registration No. 1435436, originally registered in the name of Cussons (UK) Ltd but, following internal reorganisation, was assigned to Cussons (International) Ltd. Mr McDermott exhibits samples of invoices showing sales of GRAPHITE products in the United Kingdom. Finally, and in response to statements made in
30 the Statutory Declaration of Mr Jason Saba, Mr McDermott states that, to his knowledge, neither Cussons (International) Ltd nor Cussons (UK) Ltd charge customers or potential customers for the supply of samples, and that it is his belief that the practice of charging for samples in the toiletries industry is unknown.

35 Nichola Amsel in her Statutory Declaration, dated 10 June 1996, states that she is a partner in the firm Amsel & Co which carries on business in Albert Square, Manchester. She and her firm have been retained by Cussons (International) Ltd in connection with the matter of this application for revocation. Ms Amsel states that she has been shown a copy of the Statutory Declaration of Jason Saba (8 September 1995) and she makes observations on the facts stated
40 therein. She states that Cussons (International) Ltd asked her to carry out certain investigations into the trading activities of Mr Saba and Granite Cosmetics Ltd. In the course of such investigations she states that certain matters came to light.

45 Ms Amsel states that it appears that in 1992 a bankruptcy order was issued against Jason Saba. Such information was discovered during a computer credit search against Mr Saba's former address. Subsequent enquiries made at the Department of Trade & Industry provided details confirming the issue of a Bankruptcy Order against Mr Saba made on 7 July 1992. Ms Amsel states that she is not clear whether or not the bankruptcy order has been discharged. Ms Amsel goes on to state that a notice of Mr Jason Saba's bankruptcy appeared in the
50 London Gazette of 22 July 1992, and a copy of the relevant page is exhibited. Also exhibited is a copy of the first abbreviated accounts of Granite Cosmetics Ltd for the period 31 March

5 1995 (filed in October 1995). She states that no other directorships are listed under the entry for Ghassan Saba, and also that the ultimate parent company of Granite Cosmetics Ltd is stated to be Xpekt S.A. of the Republic of Panama.

10 Ms Amsel further states that, in the course of researches undertaken on behalf of Cussons (International) Ltd, she has not come across the following companies which are identified in the correspondence and documentation comprising exhibit "JS1" to the said Statutory Declaration of Jason Saba, namely the firm G. W. B. Products and the firm described as a "buyer" in certain correspondence, "Al Gosibi Cold Stores". It is noted however that the address stated for Al Gosibi Cold Stores is 19 Marloes Road, London, which coincides with
15 the address given for Ghassan Saba in certain correspondence dated 3 March 1993 and 27 January 1993 from Aerosols International Ltd. The address given for the Director Ghassan Saba of Granite Cosmetics Ltd in the said company records (exhibited) is also 19 Marloes Road, London. Reference to the firm G.G.N.S. was found when investigating other
20 directorships for Jason Saba. This company is recorded as dissolved on 5 July 1993.

20 Finally, Ms Amsel states that during her research, she consulted a number of price lists and directories in respect of the toiletries industry and found no reference to GRANIT as a trade mark used in relation to toiletries or cosmetics.

25 The Registered Proprietor's Evidence (filed under Rule 13(5))

30 Mr Saba submitted a further Statutory Declaration dated 5 July 1996 and filed under Rule 13(5) to supplement the Statutory Declaration executed on 8 September 1995 and filed with the Counterstatement. He confirms that all details made in the earlier Statutory Declaration are true.

35 Mr Saba states that he has been shown a copy of the Statutory Declaration of Nichola Amsel and also a copy of the Statutory Declaration of Alaric Paul McDermott. Regarding the allegations made concerning his bankruptcy, Mr Saba confirms that the Bankruptcy Order was discharged on 12 July 1995 but that it is not relevant to these Revocation proceedings. Mr Saba further states that, despite the observations made by Ms Amsel that she has "not come across" G.W.B. Products nor Al Gosaibi Cold Stores, she makes no reference to the other companies mentioned in his Statutory Declaration of 8 September 1995 and he therefore
40 assumes that she accepts and recognises the companies R J Evans & Associates, British Soap Co. Ltd and Aerosols International Ltd. He states that the designation G.W.B Products is in fact the trading division of the General Welfare of the Blind and this is made quite clear on the letter dated 31 March 1993 which forms part of the exhibit "JS1" referred to in his Statutory Declaration of 8 September 1995. He states that address, telephone and facsimile details are given on that letter and that the notepaper clearly shows that the company is registered under
45 No. 116713 under the National Assistance Act 1948 and the Charities Act 1960. Mr Saba observes that Ms Amsel makes no mention of having investigated this address or the registration number.

50 Mr Saba goes on to state that the buyer mentioned as Al Gosaibi Cold Stores is in fact a company active in the Middle East and specifically Saudi Arabia and that it is part of a substantial group of companies with a variety of business interests, details of which appear in a

5 Trade Mark Directory (exhibited) for Saudi Arabia. The reason that Al Gosaibi Cold Stores used an address at 19 Marloes Road, London (which he states is his own private address) is that he was acting as an agent for this company for a period of one year between February 1993 and February 1994.

10 Mr Saba states that the firm G.G.N.S. was a forerunner of the firm G (NS) Creations and was dissolved when he decided to concentrate his trading activities under the company Granite Cosmetics Ltd, trading as G (NS) Creations.

15 Mr Saba states that Ms Amsel makes allegations that she found no reference to GRANIT as a trade mark in various directories. Mr Saba goes on to confirm that the trade mark GRANITE has been extensively used since early 1993 and does not differ from the registered trade mark GRANIT in any way which alters the distinctive character of the trade mark as registered.

20 Finally, Mr Saba states that he has discussed the marks GRANITE and GRANIT extensively with his customers and he has found no dissent to the opinion that the marks do not differ in any distinctive matter. His customers say that when presented with the goods bearing the mark GRANIT they would always assume that these were the same goods marked with GRANITE.

25 On 16 January 1998, in advance of hearing the parties in respect of related opposition proceedings, I was asked to admit further evidence from the applicant for revocation in the form of a second Statutory Declaration from Mr McDermott, with exhibits. This evidence related to the activities of Granite Cosmetics Limited and the date of the resignations of certain directors and auditors associated with the company. It was submitted by Mr Lewis, acting for the applicant for revocation, that these documents were not available for public inspection at Companies House in advance of the hearing held on 3 December 1997. Mr Lewis further submitted that the rules laid out by Mr Justice Laddie in the Hunt Wesson case RPC [1996] 233 should apply, all reasonable efforts having been made to bring the evidence before the Court at the first available opportunity.

35 Mr Onslow objected to the filing of further evidence at such a late stage in the proceedings. Though documents from Companies House (the subject of the exhibits) were uncontroversial he was concerned as to the conclusions that Mr Lewis would seek to draw from the evidence. Mr Onslow urged me to refuse to admit the evidence and let the Court admit the documents, should the proceedings go to appeal.

45 I decided not to admit the evidence at such a late state in the proceedings, having regard to the factors set down by Laddie J. in the Hunt Wesson trade mark application. In that case, the judge was looking at whether or not an application should be registered and thus weighing up granting a monopoly right in the light of other traders interests and the public interest . In this case it is the matter of a registered trade mark and the preservation of its rights and therefore different considerations apply. In all of the circumstances of this case I was not convinced that the evidence, in an event, had any significant value. Nevertheless, I considered that the

5 registered proprietor in these proceedings could have been prejudiced by the admission of the evidence, unless the proceedings to determine the issue of the revocation were adjourned to provide the registered proprietor with the opportunity to respond, with the attendant increase in costs to both sides.

10 At the hearing on 3 December 1997, Mr Lewis acting for the applicant for revocation, cross-examined the registered proprietor, Mr Saba, on the facts stated in his Statutory Declarations, and in particular on the matter of consent to use the trade mark by the various companies involved with Mr Saba as well as the extent of that use. In addition, Mr Lewis questioned Mr Saba on publicly available documents signed by him in accordance with the Companies Act
15 and filed at Companies House, copies of which were passed to all parties on the day of the hearing. These documents were concerned with the dates of formation of companies, appointments and resignations of directors and other company personnel as well as company accounts.

20 Under cross-examination, it became apparent that Mr Saba was not fully familiar with the facts and figures surrounding the activities of the companies which it was claimed had used the trade mark. For example, it emerged that the sales claimed by Mr Saba for 1993 were possibly made by Al - Gosaibi Cold Stores Ltd, for whom Mr Saba acted as agent, in Saudi Arabia.

25 Throughout the cross-examination, Mr Saba's responses to questions based upon the facts set out in his Statutory Declarations lacked precision. Similarly on the matter of the differences between the information available from Companies House and that sworn by him in relation to his own and various companies, Mr Saba appeared at a loss to know where precisely the
30 information on either set of documents came from. His apparent lack of awareness about significant facets of his business relations casts doubt therefore on the accuracy of the written evidence.

35 That concludes my review of the evidence and papers filed and I therefore turn to the grounds of revocation. These are found in Section 46 of the Act the relevant parts of which read as follows:

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

- 40 (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;
- 45 (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;
- (c)

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5 (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.

10 (2) For the purposes 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.

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The registered proprietor claims in his evidence that both he and Granite Cosmetics Limited have used the trade mark of registration No. 1166439 continuously and extensively since January 1993, on a wide range of goods in Class 3. He also claims that the trade mark has been used in a form not substantially different from the form as registered. It has been used in the form GRANITE which sounds, looks and conveys, the same impression as the registered trade mark GRANIT.

As already set down above the accuracy of the written evidence given by Mr Saba was brought into question as a result of the cross-examination. There is therefore, in my view, significant doubt as to what, if any, use has been made of the trade mark in the relevant period.

As I am unable to rely upon the evidence of the registered proprietor to help me form a view on whether the trade mark has been used I must reach a view as best I can on the facts which came to light at the hearing and the other evidence available to me in these proceedings. Whilst I do not give it a significant amount of weight, I note that Ms Amsel says that she has been unable to find any use of the registered trade mark GRANIT (she does not however state whether she looked for any use of the word GRANITE by either Mr Saba or Granite Cosmetics Ltd). There has however been no challenge to the fact that goods bearing the word GRANITE were exhibited at the CHEMEX exhibition at Wembley in 1994. But I am not given any details of the purpose of this exhibition and to whom the exhibits were displayed. Further I note Mr McDermott's belief that charging for samples (which Mr Saba claims in his evidence to have done) is unknown in the toiletries industry thus that piece of evidence of use would appear to be of no value.

It is clear from earlier decided cases, such as the VAC-U-FLEX case 65 FSR 176; the NODEX case 62 RPC 1 and the ELECTROLUX case 1954 RPC 23, that a limited amount of use of a trade mark may be sufficient to demonstrate genuine use and thus successfully defend a registration. However, whilst there has been a great deal of evidence, written and oral in this case, I consider in all of the circumstances that there is no sound basis for me to hold that there has been genuine commercial use of the registered trade mark GRANIT by the registered proprietor or with his consent by any other party.

I go on to consider whether use of the trade mark GRANITE in any event constitutes use of the trade mark GRANIT, for the purposes of Section 46(2).

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5 The registered trade mark is GRANIT and the use claimed by the registered proprietor is of the word GRANITE. He claims that the two marks do not differ in their distinctive character and therefore the registered trade mark has been used, within the meaning of Section 46(2).

10 With this point in mind, I turn to consider the guidance set down by Lloyd J. in the ELLE case FSR [1997] 529, where he stated that if an element is present in one mark but not in the other, then something had been done to alter the distinctive character of the mark. In that case it was the deletion of a device element from a registered trade mark that was considered.

15 I also consider the decision of G W Tookey QC, in the OTRAVIN trade mark 1967 RPC 613 where, on an appeal to the Board of Trade from a decision of the Registrar he held that the alteration of the trade mark OTRAVIN to OTRAVINE, because of the addition of the letter 'E' might effectively change the pronunciation and look of the trade mark and that the applicants [for the amendment] had not therefore established that the proposed alteration would not substantially effect the identity of the trade mark.

20 Here we have a situation where the registered trade mark is an invented word, GRANIT, whereas the trade mark claimed to have been used is the word GRANITE, an ordinary dictionary word of the English language, meaning a hard crystalline rock. Thus there is an immediate impact on the eye. The addition of the letter "E" in the trade mark claimed to have
25 been used not only serves to make the two marks visually different but it changes the meaning of the mark, or gives a meaning to it which it did not previously have.

30 Thus I do not share the registered proprietor's view that the public would recognise the word GRANITE as synonymous with the word GRANIT and I conclude that the respective trade marks differ in elements which effect their distinctive character and therefore use of GRANITE does not equate to use of the word GRANIT for the purpose of Section 46(2).

35 I go on to consider the request by the registered proprietor to exercise the discretion afforded to me under Section 46 against the guidance set down by the Registrar's Hearing Officer, Mr M J Tuck, in the INVERMONT case [1997] RPC 125. In that case Mr Tuck said:

40 "Firstly, I note that Section 46 says: "The registration of a trade mark *may* be revoked..." etc. (my emphasis). Section 46 is the equivalent of Section 26 of the Trade Marks Act 1938, which also uses the word "may" in sub paragraph (1) where it says "..... a registered mark *may* be taken off the register.....".

45 Use of the word "may" in that Section has been held to confer a discretion on the tribunal considering applications under Section 26 of the 1938 Act, as shown by the following extract from Kerly's Law of Trade Marks, 12th Edition paragraph 11.40, which says:

"Discretion

50 It is to be observed that the whole section is governed by the words in Section 26 (1) "may be taken off". The word "may" involves a discretion not to remove. It is clear, however, when Section 26(1) is read with its proviso, that only in exceptional

5 circumstances should removal be refused: the words in the proviso, that in certain cases (see below) a tribunal “may refuse the application”, carry the unavoidable implication that in other cases, prima facie, the application ought not to be refused”.

10 In this case the registered proprietor’s evidence is such that no reliance can be placed upon it and I have held that there is no evidence that can be relied upon of use of this trade mark. Under cross examination Mr Saba stated that there had been significant use of the trade mark GRANITE but after the relevant period. However, I can be no more certain of the accuracy of that evidence than I can be about the earlier evidence in relation to the value of sales and therefore the statement is of no assistance.

15 In the absence therefore of any other reasons to support the exercise of discretion, not to remove the trade mark from the register, in accordance with Section 46, on the basis set out by Mr Tuck, I decline to do so.

20 In view of my findings that there has been no genuine use of the registered trade mark in the relevant period and that in any event the registered proprietors claims are in respect of use of a different trade mark, I consider that the registered proprietor has not shown use of the registered trade mark. I therefore direct that registration No. 1166439 be revoked and removed from the register. As no other date has been submitted to me for consideration the rights of the registered proprietor shall be deemed to have ceased with effect from the date of the application for revocation, in accordance with Section 42(6)(b)

30 As the applicants for revocation have been successful they are entitled to an award of costs. I am not minded, despite a request by the applicant, to award an amount over and above the published scale, not least because benefit accrued to the applicant by the fact that the registered proprietor, Mr Saba, voluntarily appeared at the hearing for cross-examination. I therefore order the registered proprietor to pay the sum of £835 to the applicant for revocation as a contribution towards their costs.

35 **Dated this 27 day of February 1998**

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45 **M KNIGHT**
For the Registrar
The Comptroller General

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