TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 9214
BY NICHOLAS DYNES GRACEY
FOR REVOCATION

IN RESPECT OF TRADE MARK No 1301046
"ACADEMY"
STANDING IN THE NAME OF
TRITONSTYLE LIMITED

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FOR REVOCATION OF TRADE MARK No 1301046
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DECISION

The trade mark ACADEMY is registered under number 1301046 in class 25 of the register in respect of "Articles of clothing."

The application for registration was made on 14 February 1987 and the mark was placed on the register on 4 July 1990. The registration stands in the name of Tritonstyle Limited, Unit 14, Worrall St, Salford, M5 4TH.

By an application dated 30 September 1996, Nicholas Dynes Gracey applied for the revocation of the registration. The grounds stated in his request were unusual as instead of referring directly to sections of the Act he referred to a letter from the registered proprietors agent and posed a variety of questions. The exact wording for this section of the form is hereby reproduced:

> "STATEMENT OF CASE:- The grounds for the revocation request are based upon: Marks & Clerk's 1-page Fri-29.Aug. 96 letter [-attached-] wherein there is an absence of a registration certificate, details whether stylised or word mark(?), date of registration(?), use within last 5 years(?), use on footwear(?) And yet simultaneously challenging Mr. Gracey's TM applications 2105836 and 2105829 and 2105839."

From this one can deduce, as indeed did the registered proprietors, that Mr Gracey is applying for a revocation under the provisions of Section 46(1)(b) of the Act on the grounds that there has been no genuine use of the mark, particularly on footwear, in the United Kingdom by the proprietors or with their consent for a period of more than five years and there are no proper reasons for non-use. The other grounds listed such as "an absence of a registration certificate, details whether stylised or word mark and the date of registration are not valid grounds for a revocation action.

On 10 January 1997 the registered proprietors filed a counterstatement denying all the allegations made, asking for the refusal of the request for revocation of registration and seeking an award of costs in their favour. At the hearing, on 23 September 1998, the Registered Proprietors were represented by Mr Edenborough of Counsel instructed by Marks & Clerk. The applicant for revocation was not present nor represented.

As Mr Gracey has not specified the period to be considered. I intend to regard the relevant period as the five years immediately prior to the date of the application for revocation. The relevant period is therefore 30 September 1991 - 30 September 1996. At the hearing, Mr Edenborough argued that the relevant five year period should be considered as ending no later than 30 June 1996 - three

months prior to the date of the application for revocation. He took the view that Section 46(3) of the Act prohibited any challenge within three months of the date of application.

Sections 46(1) and 46(3) are - insofar as they are relevant - set out below:

> *"46. (1) The registration of a trade mark may be revoked on any of the following grounds*
>
> *(a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non - use;*
>
> *(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non - use;*

AND

> *(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1) (a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:*
>
> *Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made."*

It appears to me that an application for revocation under Section 46(1)(b) of the Act can be filed specifying any five year period following the completion of the registration procedure ending at or before the date of application. If the application identifies an earlier five year period and use of the mark has commenced or resumed, one must consider when this occurred and when preparations for this use began. It follows that if an application for revocation is filed specifying a period of non-use ending on the day prior to the application no use of the mark could have resumed or commenced after the end of the five year period and the qualification raised at 46(3) does not apply.

In this case the application for revocation was received on 30 September 1996 and, in the absence of any statement from the applicant as to any earlier period, the relevant period is to be considered as being the five years prior to that date, 30.9.91 - 30.9.96. As the registered proprietors claim to have been using the mark throughout the period the question of commencement or resumption of use referred to in Section 46(3) is not applicable. Thus, although there was a difference of opinion as to the period in question, it is not material to the registered proprietors' case.

Registered Proprietors' Evidence.

The registered proprietors filed a statutory declaration by Katherine Heather Dodd, the Managing Director of Tritonstyle Limited, dated 6 January 1997.

Ms Dodd states that her company acquired the trade mark "ACADEMY" in 1987 and has used the mark continuously and extensively in the United Kingdom and elsewhere since that date. She states that the mark has been used on a wide range of goods such as jeans, jackets, shirts, vests, boots, shoes, caps and other headgear as well as sportswear such as tracksuits and shellsuits.

Two invoices were presented at exhibit "HD1". The first invoice dated 23 May 1989 shows sales of various garments. The only reference to the trade mark "ACADEMY" is on a label bearing the name and address of the company and another trade mark "HUSTLER". The second invoice is dated 16 December 1996 and again the only use of the mark is at the top of the invoice where the marks "ACADEMY" & "HUSTLER" are printed. None of the goods (vests, jogging trousers, rugby shirts and roll neck tops with a total value of £1,733) listed on either invoice are listed by reference to any trade mark. Ms Dodds states that sales have been continuous between the dates of these invoices.

Exhibit "HD2" consists of samples of stationery, packing notes, order slips and clothing badges, all bearing the trade mark ACADEMY. However none of these items bear a date.

Ms Dodds goes on to say that her company does not produce brochures because their stock changes so rapidly, with two ranges of products being launched every season under two different trade marks. However from time to time mail-shot postcards are produced and a copy of one such is produced at exhibit "HD3". This shows a photograph of leisure tops and jogging pants on a stand with the mark "ACADEMY" printed on a sign atop the stand. On the back of the card is a note to retailers informing them of the "ACADEMY" range, and telephone and fax numbers if the retailer requires further information.

Lastly, Ms Dodds states that her company has continuously used the mark "ACADEMY" in relation to a wide range of goods, covering all the goods for which the mark is registered.

The registered proprietors filed a further statutory declaration by Katherine Heather Dodd dated 27 May 1997.

Ms Dodd provides an invoice dated 2 May 1995 at exhibit "KHD1A". This shows both the trade marks "ACADEMY" & "HUSTLER" at the top of the invoice, but also shows use of these marks in the description of the items to which the invoice relates. T-Shirts numbering 1,986 with a value of £3500 for the mark ACADEMY, and T-Shirts numbering 1,086 with a value of £1,914 for HUSTLER.

Ms Dodds states that other invoices could have been filed but as she believes this invoice is enough to prove usage of the mark no other exhibits have been filed. She also relies upon the invoices and stationery filed with her previous declaration to prove use of the mark "ACADEMY".

Ms Dodds repeats her earlier claim that the company has used the mark continuously since 1987 in respect of the goods for which the mark is registered. Further, she claims that her company has built up substantial goodwill under the trade mark, and that the mark is of considerable value to her company.

<u>Applicant for revocation's evidence</u>.

The applicant, Mr Gracey, has filed two affidavits dated 17 April 1997 and 30 August 1997.

Mr Gracey states that the prices shown on the invoices provided by the registered proprietor "seem so low that little trade mark value is apparent". In particular the invoice dated 2 May 1995 at exhibit "KHD1A" shows the mark "ACADEMY" being used in relation to a "print" which he claims could simply be a decal, as decals alone often cost as much as £1.50 . By contrast plain merchandising T-shirts usually cost more than £1.50 (the price shown on the invoice in question). He states that this exhibit is the only evidence offered to substantiate proper trade mark use during the relevant five year period.

Mr Gracey claims that all other exhibits predate or post date the relevant period, or have no discernable method of dating them. He also comments on the different styles of printing on the exhibits filed by the registered proprietor, and the use of stick-on labels on invoices. He makes a number of statements which appear to question the validity of the exhibits filed by the registered proprietors.

Mr Gracey asserts that the registered proprietors could not have used the mark "ACADEMY" on footwear as claimed as the mark is, he claims, registered for footwear by a Spanish company Dalp International (TM 1240783).

Finally, he also questions whether the exhibits do prove what is claimed in the registered proprietors' declarations. In particular whether they prove that the mark "ACADEMY" has been used continuously in the relevant period.

That concludes my review of the evidence. I now turn to the decision.

DECISION

At the hearing, Mr Edenborough invited me to reject outright the application for revocation on the grounds that the applicant, Mr Gracey, has no locus standi, and that even if he has locus standi the application is frivolous or vexatious or is otherwise an abuse of process. This submission was based on the fact that the applicant had sought to register a number of phonetically similar marks in classes 1 to 42 inclusive, and that the applicant has made a large number of other applications, and further that the applicant had launched this action only after being requested to remove class 25 from his application by the registered proprietors' professional advisers. It was also submitted that the applicant had no bona fide intention to use the mark.

Section 46(4) of the Trade Marks Act 1994 states that "An application for revocation may be made

by any person". I take the view that Mr Gracey was entitled to bring the application. There is no basis for a finding that the application is an abuse of process. Whether it is frivolous or vexatious is a matter which should be addressed through costs.

Mr Edenborough asked for certain matters set out in Mr Gracey's affidavit of 30 August 1997 to be redacted because they contained unfounded and scandalous allegations relating to the veracity of the registered proprietors' evidence. Having considered this matter I agreed to have paragraph 28 of Mr Gracey's affidavit redacted, as this appears to contain serious allegations which cannot be justified on the evidence. I rejected the request to have other paragraphs of Mr Gracey's affidavit redacted. In redacting this evidence I rely on the inherent powers of the tribunal to conduct its business in accordance with principles of natural justice. I note that the Courts have specific powers to redact evidence under Order 41 Rule 6 of the Supreme Court Practice 1997. Although these rules do not apply directly to this tribunal I am acting by analogy with what I believe would be the position before the court.

On the question of use of the mark, Mr Edenborough referred to three invoices filed at exhibits HD1, HD2 & KHD1A. These invoices all show the "ACADEMY" mark on the paperwork. HD1 is dated 23 May 1989 (prior to the five year period in question), HD2 is dated 9 December 1996 (after the period) and KHD1A is dated 2 May 1995 (during the period).

Mr Edenborough invited me to accept that in the light of Ms Dodd's evidence these invoices showed that the mark had been used throughout the period of May 1989 - December 1996. He referred in particular to exhibit KHD1A which described the garments as "T Shirt Academy print" and then listed different colours, as well as showing the "Academy" mark at the top of the invoice as per the other two exhibits.

Mr Edenborough pointed out that the statement by Ms Dodd was admissible evidence because it was based on first hand knowledge of the company's sales. I was also referred to other items such as swing tags which show garment size, order forms and other items of stationery, which it was claimed added up to proof that the company had used the mark "ACADEMY" in relation to a variety of garments during the relevant period (30.9.91 - 30.9.96).

Section 100 of the Act is relevant as it clarifies where the overall burden of proof rests in relation to the question of use. It reads:

> *"100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."*

Section 46 (5) is also relevant as it states:

> *"(5) where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only."*

From these two Sections it is clear that the onus is on the registered proprietors to show use of the mark and the failure to show use of the mark on some of the goods or services registered will result in the mark being revoked for those goods or services.

5 The Registered Proprietors have, in both statutory declarations, stated that they have used the trade mark ACADEMY continuously since 1987 in respect of all goods for which the mark is registered. Although evidence in itself, without corroborative evidence, these statements are not sufficient to prove use of the trade mark during the relevant period.

10 Exhibit KDH1A clearly establishes use of the trade mark ACADEMY by the registered proprietors on leisure shirts within the relevant period. Exhibit HD1 shows that the registered proprietors are engaged in the trade of leisurewear and, to that extent, it provides support to the claim made in the statutory declarations. Further corroboration along the same lines is provided by exhibit HD2..

15 Whilst exhibit HD3 provides support to the registered proprietors' claims to have promoted clothing, particularly leisurewear, under the ACADEMY trade mark and, to the extent, also provides support to the statements in the statutory declarations.

The evidence filed by the registered proprietors was not wholly satisfactory as only one invoice 20 was within the relevant period and related only to leisure shirts. In their second statutory declaration the registered proprietors state that "although further invoices are available evidencing use of the mark within this period, such invoices have not been adduced, since it is my understanding that Exhibit KHD1A is sufficient to rebut the allegation made by the applicant for revocation that the mark has not been put to genuine use within this period." However, it must 25 be borne in mind that the registered proprietors were responding to the applicants very vague attack on their registration. The only specific goods mentioned were footwear although it is reasonably clear that the attack was intended to go much wider.

In my view, the registered proprietor's evidence, taken as a whole, is sufficient to demonstrate use 30 of the mark on articles of leisurewear (other than footwear) within the relevant period. Thus the only question which remains for me to decide is whether the amount of use is sufficient to qualify as genuine use in order to maintain a mark on the register. .

My attention was drawn to the BON MATIN case {1989) RPC 537, Mr Edenborough argued that 35 the meaning of "bona fide " in the 1938 Act and "genuine" in the 1994 Act should be regarded as effectively the same. He quoted the comments of Lawton LJ. in ELECTROLUX where it was said that "bona fide use" could be "ordinary and genuine"or "perfectly genuine" or rather not "some fictitious or colourable use but a real or genuine use". I agree that the test under the two Acts are similar and the extent of use is still relevant. Therefore although BON MATIN was decided under 40 the 1938 Act it is relevant. In BON MATIN Mr Justice Whitford dealt with the issue of what constitutes genuine use.

> *"The main argument on the appeal centred around the question as to the extent to which one must consider the substantiality of the use. Various authorities can be cited, pointing* 45 *in different directions. I suppose in the interest of Mr. Morcom's clients perhaps one of*

the earliest and most favourable approaches is that which is to be found in Official Ruling 61 R.P.C. which was concerned with the question of a despatch to the United Kingdom of a sample of the product to be sold under the registered trade which it was held might be regarded as a use of the trade mark in the United Kingdom. I was not taken to the Official Ruling as such but it is to be found referred to in a judgement which was given by Dr. R. G. Atkinson, then acting for the Registrar in VAC - U - FLEX Trade mark [1965] F.S.R. 176. There is no doubt that Dr. Atkinson did consider a number of earlier authorities. To my mind what plainly emerges from the authorities is this, and Mr. Morcom did not attempt to shirk the point, the substantiality of the use is undoubtedly a relevant factor to be considered and at the end of the day one has got to consider every relevant factor. It must always be remembered that what one is directed to by Section 26 of the Act is the question as to whether there has been bona fide use. Although the extent of the use is one factor which may be of significance, some of those factors may lead to the conclusion that although the use could not in the commercial sense be described as anything other than slight, nonetheless it may be appropriate to reach a conclusion, in the light of the circumstances as a whole, that the use ought to be regarded as bona fide."

[my emphasis]

As the words that I have underlined above make clear slight use may be acceptable in the light of the circumstances as a whole. The Registered proprietor's evidence does not provide much information about the scale of the use of the mark, but it at least proves that within the relevant period the trade mark ACADEMY was used on the 1,986 leisure shirts shown in exhibit KHD1A which were sold for £3,500. This use alone cannot be considered to be de minimis and qualifies as genuine use.

In respect of the question raised by the applicant on the use of the mark on footwear the registered proprietor confirmed, through Counsel at the hearing, that although they had used the mark on footwear another company was the registered proprietor for the mark in footwear. The registered proprietor does not regard his registration as covering these goods.

Subject to any appeal against this decision, and in accordance with Section 46(5), the specification of the trade mark No 1301046 will be amended to:

"Articles of leisurewear, other than footwear", which is the extent of the use established by the registered proprietor's evidence.

The application for revocation partly succeeds and partly fails. Having regard to the outcome and the conduct of the applicant, in particular the need to redact evidence, I decline to make an order as to costs.

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Dated this 27th day of November 1998

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George W Salthouse
For the Registrar
15 The Comptroller General