

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK  
REGISTRATION m 1266211 IN THE NAME OF FARBO S.A.

AND

IN THE MATTER OF AN APPLICATION FOR  
REVOCATION m 9210 BY  
BRICO WORLD INTERNATIONAL MARKETING CONSULTANTS

TRADE MARKS ACT 1994

IN THE MATTER of trade mark  
registration **m** 1266211 in the  
name of Farbo S.A.

5 and

IN THE MATTER of an application for  
revocation **m** 9210  
by Brico World International Marketing Consultants

DECISION

10 Trade mark **m** 1266211 is registered in Class 2 in respect of:

“Paints; varnishes (other than insulating varnish); lacquers; preservatives against rust and against deterioration of wood; dyestuffs (not for laundry or toilet purposes); mordants; natural resins; all being manufactured in Switzerland.”

The mark is in the form shown below:



15 The registration, which is subject to a disclaimer of the word ‘MONTANA’, stands in the name of Farbo S.A and is registered with effect from 1 May 1986.

By an application dated 2 October 1996, an organisation calling itself Brico World International Marketing Consultants applied for revocation of this registration under section 46(1)(a) & (b) of the Act.

20 The applicant claims that the mark has not been used by, or with the consent of, the registered proprietor.

The registered proprietor filed a counterstatement defending the registration against the application to revoke. As required by rule 31(3), the registered proprietor filed evidence of use of the mark in July 1991, also claiming that use of the mark continued into 1992.

25 The registered proprietor also claims to have made arrangements to resume use of the mark shortly before this application was filed, and before they knew that it might be made.

However, the ‘evidence’ to support this claim is so insubstantial that I do not feel the need to give serious consideration to the claim.

Both parties requested an award of costs in their favour.

5 In addition to the registered proprietor’s evidence under rule 31(3), both sides also filed evidence under rule 13 following which a hearing was held on 27 January 1999. At the hearing, the applicant for revocation was represented by Mr Colin Birss of Counsel instructed by Mathisen Macara & Co. The registered proprietor was represented by Dr Peter Colley of Counsel instructed by Edward Evans & Co.

#### *The Evidence*

10 In these proceedings, the registered proprietor filed three statutory declarations in evidence: Two by Michael Arthur Lynd, a Registered Trade Mark Agent with the firm Edward Evans & Co, and a third by Michael Neil John Broomfield, Managing Director of Wandset Limited.

15 The applicant filed two statutory declarations: One by Martin Eric Goodanew, a Registered Trade Mark Agent with the firm Mathisen, Macara & Co, and the other by Robert Taylor, a Director of Ostendorf UK Ltd.

I have carefully considered all these declarations, and their corresponding exhibits, before reaching my decision. In the particular circumstances of this case, most of the facts are undisputed and I therefore find it convenient to give a general outline of the facts, referring to specific parts of the evidence as and when the need arises.

#### 20 *Late Evidence*

At the beginning of the hearing, Dr Colley invited me to admit, under rule 13(8), a further statutory declaration by Raymond Alluchon, Managing Director of Farbo S.A. Mr Birss protested that it was too late in the day to bring new evidence before the tribunal. Dr Colley explained that the evidence was late because the declarant, being resident outside the United Kingdom, was accustomed to a more relaxed attitude towards timescales in legal proceedings. 25 Having considered the matter carefully in the light of Counsel’s submissions, I could not see any reason to adopt an equally relaxed attitude towards timescales in proceedings before the registrar, so I refused to admit the late evidence.

#### *The Background*

30 On 1 May 1986, a company called Bosshard & Co based in Zurich, Switzerland applied to register the mark in suit. The mark was entered on the register on 3 March 1989.

Bosshard & Co subsequently assigned the registration to the current registered proprietor, Farbo S.A. in May 1992.

35 On 9 July 1991, the then registered proprietor, Bosshard & Co, shipped a small quantity of paint to a company called Wandset Limited in the United Kingdom. The invoice and accompanying documentation for this sale clearly refer to the paint as MONTANA. The gross

weight of the shipment was 2,149kg, representing approximately 263 cans of paint. Wandset Ltd imported the paint to provide competition with another brand of paint, CLASSIDUR, that it was struggling to sell in this country. To ensure “genuine arms-length competition” between the two brands of paint, Wandset Ltd established another company, Montana Paints Ltd, for the purpose of selling the MONTANA paints. Although there was no legal connection between Wandset Ltd and Montana Paints Ltd, the latter was in fact the creation of the former. Hence the 263 cans of paint that Wandset Ltd purchased from Bosshard & Co were passed to Montana Paints Ltd for sale on the UK market.

The MONTANA brand of paint appears to have been even less successful in this country than the CLASSIDUR range, for no further supplies of paint were ordered by or on behalf of Montana Paints Ltd. Indeed Montana Paints Ltd became a dormant company from 1 July 1992, and was eventually dissolved on 9 August 1994.

Thus the registered proprietor’s case rests on a single shipment of 263 cans of paint which was sold by Bosshard & Co to Wandset Ltd on 9 July 1991, passed to Montana Paints Ltd, and subsequently offered for sale in the United Kingdom by Montana Paints Ltd.

Mr Broomfield, the Managing Director of Wandset Ltd, says at paragraph ten of his declaration:-

“I can state categorically that MONTANA paints continued to be sold by Montana Paints Ltd throughout the rest of 1991 and well into 1992. By the end of June 1992 however all of the original order of MONTANA paints had been sold into the British market.”

He also concludes his declaration by repeating this statement in the following words:

“I can state with certainty that the sales of MONTANA paints by Montana Paints Limited started in the United Kingdom in 1991 and continued into 1992.”

The significance of these statements of Mr Broomfield’s cannot be underestimated, for the relevant five-year period in these revocation proceedings runs from 3 October 1991 up to 2 October 1996. The original sale of 2,149kg of MONTANA paints occurred outside this period, and therefore the registered proprietor can only rely upon the subsequent sale, or re-sale, of the 263 cans of paint by Montana Paints Ltd.

Against this background, I now turn to consider the grounds upon which the application for revocation is based.

#### *Decision*

These proceedings have been brought under Section 46(1)(a) & (b) of the Act. This part of the Act reads as follows:-

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

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

10 **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.

Throughout these proceedings, the registered proprietor has objected that the applicant for revocation is not entitled to make this application, and that the applicant is acting on behalf of an unnamed party. More specifically, it is alleged that the applicant is not a legal “person” according to Schedule 1 of the Interpretation Act 1978, and that consequently the applicant is not within the terms of section 46(4) of the Trade Marks Act 1994, which begins with the words:

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“(4) An application for revocation may be made by any person ...”

In response to Mr Birss’ assurance that the applicant was a partnership and that the names of the partners could be supplied on request, Dr Colley refined his submission, saying that it was inequitable that the registered proprietor should be forced to defend its registration without knowing who was behind the attack.

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Whilst locus, or standing, was an essential prerequisite of an application to rectify the register under section 26 of the Trade Marks Act 1938 (as amended), there is no corresponding restriction on an applicant under section 46 of the 1994 Act. In particular, an applicant does not need to establish that he is a “person aggrieved”. Apart from any other considerations, this change recognises that there is a public interest in keeping the register clear of unused marks. Consequently the Registrar will not normally question the standing of an applicant under section 46. Nevertheless, the Interpretation Act clearly applies and if challenged, an applicant must be prepared to prove his entitlement as a legal person to make an application under section 46. But that entitlement is in no way dependent upon the applicant himself having a direct or personal interest in the revocation of the mark in issue.

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Mr Birss and Dr Colley both agreed that in order to decide this application, I need only consider subsection (b) of section 46(1) and determine whether the trade mark has or has not been used in the period 3 October 1991 to 2 October 1996.

35 According to section 46(5), where grounds for revocation exist in respect of only some of the goods for which the trade mark is registered, revocation shall relate to those goods only. With this in mind, Dr Colley was obliged to concede at the outset that on the basis of the evidence filed he could not hope to defend the registration in respect of any goods other than paint, and

I have no hesitation in concluding that the application to revoke trade mark **m** 1266211 in respect of all the other goods must succeed.

5 The only issue that remains between the parties is whether or not the mark has been used in relation to paint in the relevant period. In addition Mr Birss reminded me that the specification of the registration is limited to paints .... all being manufactured in Switzerland. He went on to submit that although the consignment of paint shipped to Wandset Ltd on 9 July 1991 was imported from Switzerland, there was no evidence that the paint in question had been manufactured in Switzerland. However, having provided evidence in the form of an invoice and delivery note that shows the ‘country of origin’ of the consignment of paint as 10 Switzerland, I believe that the registered proprietor has made out a prima facie case that the paint was manufactured in Switzerland. I accept that Mr Birss was entitled to draw a distinction between the country of origin and the place of manufacture; but the distinction is, I think, a fine one. I would be taking the words of Lord Diplock entirely out of context if I said that this struck me as another example of the “meticulous verbal analysis in which lawyers 15 are too often tempted by their training to indulge”<sup>1</sup>. In the event, if the applicant for revocation wished to rely on this point, then the onus was on them either to show that the paint was not manufactured in Switzerland, or at the very least to challenge the registered proprietor to confirm the country of manufacture of the paint. They have done neither, and therefore, taking the evidence at face value, I conclude that the paint was manufactured in 20 Switzerland.

As I have stated above, the original consignment of paint was shipped into this country by the predecessor of the current registered proprietor on 9 July 1991 — more than five years before the date of the application to revoke — and it is therefore of no direct assistance to the registered proprietor in defending the registration. Nevertheless, Dr Colley maintained that 25 the evidence shows that cans of paint from this single shipment were still being offered for sale in the United Kingdom as late as June 1992. These sales were made by Montana Paints Ltd, with the consent of the registered proprietor. In fact, the registered proprietor only needs to establish that sales were taking place after 3 October 1991 in order to maintain the registration in respect of paints.

30 Mr Birss argued that since the registered proprietor was forced to rely on such a small ‘dribble’ of sales, it was important to know whether the mark in suit was actually shown on the tins. It was not enough, he said, to point to the presence of the word MONTANA on the paperwork relating to the importation of the complete shipment since that transaction took place outside the relevant period. He also observed that nowhere in the evidence is there any 35 suggestion that the mark has been used in the form in which it is registered — ie with the mountain range silhouette. Although he did not press the point, he added that this could be of greater significance in these proceedings because the word MONTANA is actually disclaimed as an element of the mark.

40 Both of these are fair points, and in reply, Dr Colley was forced to depend on a paragraph in Mr Broomfield’s evidence where he declares that:-

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<sup>1</sup>Catnic Components Limited and another v Hill and Smith Limited [1982] RPC at page 243

“... it was decided to import into the United Kingdom other paints from mainland Europe, these paints being sold and offered for sale under and by reference to the Trade Mark of the Registration in Suit. These other paints, ... I shall hereinafter refer to as MONTANA paints ...”

5 Dr Colley submitted that, in the absence of evidence to the contrary, I should infer that this intention was carried into effect, and that the MONTANA paints were indeed offered for sale under and by reference to the Trade Mark of the registration in suit; not least because Mr Broomfield defines the term ‘MONTANA paints’ as those sold under the mark in suit, and later goes on to refer to sales of ‘MONTANA paints’. Once again I accept that this is a fair  
10 reading of the evidence, and in any event sufficient to shift the onus across to the applicant, such that if they proposed to take the point at the hearing, they should at least have raised the challenge beforehand and given the registered proprietor an opportunity to confirm that what Mr Broomfield declared to be an intention was indeed carried into effect.

15 Both Counsel made submissions with regard to the likely rate at which the shipment of 263 cans of MONTANA paint was sold by Montana Paints Ltd. On the understanding that all the paint that was received on 9 July 1991 was sold by the end of June 1992, the average rate of sales amounts to approximately one can per working day. Mr Birss was quick to point out that, depending on the pattern of sales, it was possible that the entire shipment could have  
20 been sold in just a few transactions of fifty or so cans. Given that the sales must have occurred within six years of this action being brought, Mr Birss questioned why there were no VAT records relating to the sales. He complained that the Registrar was being asked to accept Mr Broomfield’s statement that the sales continued into 1992 without any explanation as to how Mr Broomfield is qualified to make such a statement, and without any supporting documentation to back up Mr Broomfield’s statement.

25 Regarding the substantiality of the use of the mark, I was referred to the recent *ZIPPO* decision<sup>2</sup> where the Hearing Officer quoted the following passage from the judgment of Whitford J in *BON MATIN*<sup>3</sup>:

30 “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 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 RPC 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  
35 in a judgment which was given by Dr R G Atkinson, then acting for the Registrar in *VAC-U-FLEX Trade Mark* [1965] FSR 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  
40 factor. It must always be remembered that what one is directed to by section 26 of the Act is the

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<sup>2</sup>SRIS m O-190-98

<sup>3</sup>BON MATIN Trade Mark [1989] RPC pp543,4

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.”

Emphasis supplied

The Hearing Officer in *ZIPPO* went on to say:

“This is of course a case that was decided under the old law where the requirement was for bona fide use. Nevertheless I think it is accepted that the word ‘genuine’ as used in section 46 of the Trade Marks Act 1994 is not intended to have a material effect on practice in this area, other than to clarify the position by reflecting in the statute what the previous language had come to mean after decades of decided cases under the old law. In so doing it also follows the construction found in the trade marks Directive.

Having regard to the judgment of Whitford J in *BON MATIN*, and in particular the words (above) which I have underlined, I conclude that the substantiality (or degree) of use is one factor that must be considered in deciding whether use of a mark is genuine. But where, as in this case, it is established that a mark has been used, and the genuineness of such use is not in question, detailed consideration of the substantiality of that use serves no purpose.”

As far as I can see, there is nothing in the evidence to suggest that the use of the mark in this case has been anything other than genuine. Neither did Mr Birss, in the course of his submissions at the hearing, raise any doubts in my mind that the use was not genuine. Clearly the degree of use has been slight, and moreover, the registered proprietor accepts that the mark has not been used at all since June 1992. Nevertheless, for the reasons given in *ZIPPO* the substantiality of use is not a factor in my decision.

All of which brings me to the nub of this case, which concerns Mr Broomfield’s statement that MONTANA paints continued to be sold well into 1992. If I accept that statement as fact, then I must find for the registered proprietor; if not, then I must find for the applicant.

The biggest problem with Mr Broomfield’s declaration is that he does not explain the basis upon which he is qualified to give evidence as to what happened in Montana Paints Ltd. Prima facie his evidence appears to be hearsay. Mr Broomfield is the Managing Director of Wandset Ltd, his company, and according to paragraph eight of his declaration:

“... there was no legal connection between my company and Montana Paints Limited ...”

Nevertheless, he does go on to say that Montana Paints Ltd was “very much a creature” of Wandset Ltd. Unfortunately, he does not explain who worked for Montana Paints Ltd, nor does he say why there is no-one more qualified than himself to give evidence as to what happened within that company. I note that it is not inconsistent with the evidence that Mr Broomfield might have been directly involved with the day to day operations of Montana Paints Ltd. Indeed given the force with which he gives evidence as to what happened in that company, one is positively led to believe that Mr Broomfield was directly associated with Montana Paints Ltd. Furthermore, the evidence indicates that Montana Paints Ltd traded for



about a year selling, on average, one can of paint per day — not the sort of business activity that would call for a significant level of additional manpower.

5 Dr Colley was very conscious of the weaknesses in his evidence. But as he said, his client was entirely dependent on Mr Broomfield to give evidence on their behalf as to events that took place some time ago. He added that Mr Broomfield is not one of his client's employees, and never has been. Moreover Mr Broomfield's connection in this case was with Bosshard & Co, the former registered proprietor of the mark. In all the circumstances, his client was only too grateful for whatever assistance Mr Broomfield was able to offer. He regretted that there was no documentary evidence to support Mr Broomfield's recollection of events in 1991/92, but  
10 submitted that there was unfortunately nothing that he or his client could do about it. As for the existence of VAT records, Dr Colley reminded me that Montana Paints Ltd was dissolved in August 1994. He suggested that this might explain the absence of VAT records etc.

As I have stated above, Mr Broomfield's statement to the effect that sales of MONTANA  
15 paints continued well into 1992 may be hearsay. But I am acutely aware that no objection has been brought on those grounds; neither has there been any request to cross examine Mr Broomfield. That the outcome of these proceedings should be determined on the basis of doubtful evidence is lamentable, but taking the best view I can of the evidence available to me, I accept Mr Broomfield's statement that sales of MONTANA paints continued into 1992. Consequently the application to revoke registration **m** 1266211 fails in respect of paints.

20 Subject to any appeal against this decision, and in accordance with section 46(5), the specification of trade mark **m** 1266211 shall be amended to:

“Paints manufactured in Switzerland.”

In the light of the evidence filed in these proceedings I am satisfied that the mark has never  
25 been used on goods other than paint, and since the application to revoke is made in part under section 46(1)(a), the registration shall be so amended with effect from 4 March 1994 — five years after the completion of the registration procedure.

#### *Costs*

In the event, neither party to these proceedings can claim the greater measure of success. Accordingly I propose to make no order for costs.

30 **Dated this 2nd day of February 1999**

**Mr S J Probert**  
**Principal Hearing Officer**  
**For the Registrar, the Comptroller-General**