

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK  
REGISTRATION **m** 2021235 OF THE MARK **OXYFRESH**  
IN THE NAME OF MAYFAIR PROJECTS LIMITED

AND

IN THE MATTER OF AN APPLICATION FOR  
RECTIFICATION AND AN APPLICATION FOR  
A DECLARATION OF INVALIDITY **m** 8441  
BY OXYFRESH WORLDWIDE INC

TRADE MARKS ACT 1994

IN THE MATTER of trade mark  
registration **m** 2021235 in the  
name of Mayfair Projects Ltd

5 and

IN THE MATTER of an application for  
rectification and an application for  
a declaration of invalidity **m** 8441  
by Oxyfresh Worldwide Inc

10 DECISION

Background

On 22 May 1995, Mayfair Projects Ltd (hereafter “Mayfair”) applied to register the mark  
OXYFRESH in Classes 3 and 5 in respect of the following goods:

**Class 3:** “Perfumery; cosmetics; hair lotion; dentifrices”

15 **Class 5:** “Products for dental hygiene; products for veterinary dental care; vitamins.”

The application was given the number 2021235. The mark was published for opposition  
purposes on 10 July 1996, and entered on the register on 18 December 1996. These facts are  
all a matter of public record, available from the official file.

20 By an application filed on 15 May 1997, Oxyfresh Worldwide Inc seek to have registration  
**m** 2021235 declared invalid in accordance with section 47(1) on the grounds that the trade  
mark, having been applied for in bad faith, was registered in breach of section 3(6). On the  
same application form, Oxyfresh Worldwide also apply for rectification of the register under  
section 64(1) on the grounds that Mayfair is recorded as the registered proprietor of the mark  
instead of Oxyfresh Worldwide. However, section 64(1) of the Trade Marks Act 1994  
25 concludes with the following proviso:

“Provided that an application for rectification may not be made in respect of a matter affecting  
the validity of the registration of a trade mark.”

30 Consequently the applicant’s legal representative withdrew the application for rectification at  
the hearing, and the only matter which remains to be decided is the application for a  
declaration of invalidity.

The registered proprietor, Mayfair, filed a counterstatement which is essentially an account of  
events seen from the perspective of the registered proprietor. Whilst it is not the clearest or  
most emphatic of denials, it has been treated as a defence of the registration.

Both sides have requested an award of costs in their favour.

Only the applicant filed evidence in these proceedings, following which the matter came to be heard on 17 March 1999 when the applicant was represented by Mr John Gordon of Barker Brettell. The registered proprietor indicated in a letter dated 22 February 1999 that it did not wish to be represented at the hearing.

5 *The Evidence*

The applicant's evidence comprises a statutory declaration dated 4 November 1997 by Sandra Taylor Spring. Ms Spring is the Chief Financial Officer of Oxyfresh Worldwide Inc.

Ms Spring declares that her company is the registered proprietor of the trade mark OXYFRESH in America (U.S. Registered Trade Mark No. 1,997,761) which was registered on 3 September 1996 in respect of "Mouthwash and toothpaste in Class 3" and which specifies that the trade mark was first used on 10 June 1983 and in commerce on 10 June 1988.

Oxyfresh Worldwide has continuously used the Trade Mark OXYFRESH since 10 June 1983 in respect of its products. Exhibited to Ms Spring's declaration is the Fall/Winter 1997 edition of the product catalogue of Oxyfresh Worldwide. The 24 page catalogue describes and illustrates over 80 different products which are marketed by Oxyfresh Worldwide.

The annual sales of OXYFRESH products in the United States of America total approximately \$28 million and the annual sales of OXYFRESH products worldwide total approximately \$44 million. The approximate annual amount spent on advertising and promoting the OXYFRESH brand in the United States of America is \$80,000. No dates are given in relation to any of these statistics.

In Ms Spring's opinion, Oxyfresh Worldwide and its products are well established and the OXYFRESH trade mark clearly identifies the products of Oxyfresh Worldwide. She goes on to say that it is also apparent that Oxyfresh Worldwide owns and is the proprietor of the trade mark OXYFRESH.

According to Ms Spring, Oxyfresh Worldwide wishes to extend sales of its mouthwash and toothpaste products to the United Kingdom and on 21 November 1996 an application (m 2116304) to register the trade mark OXYFRESH in respect of 'Mouthwash and toothpaste' was filed at the United Kingdom Patent Office in the name of Oxyfresh Worldwide. However, registration of the later mark is prevented on the ground that there is a likelihood of confusion with the mark in suit.

Ms Spring exhibits a copy of a report dated 5 February 1997 which was prepared by Carratu International. The report includes details of an investigation as to the status and activities of Mayfair and reveals that Mayfair was incorporated on 5 February 1993 but the latest financial returns indicate that the company is dormant. The investigation did not reveal any recorded use of the mark OXYFRESH in the United Kingdom by Mayfair and did not reveal any record of a dedicated telephone line or trading address for Mayfair. Mayfair's registered office is an address of a business which provides a mail forwarding service, in addition to other services, such as services for providing prestigious titles and university degrees and "realistic dummy passports". The financial returns indicate that the only Director of Mayfair is a Walter Baeyens, resident in Belgium, whose occupation is described as "a Trademark Broker".

On 4 June 1997, Mr Baeyens wrote to Oxyfresh Worldwide's trade mark attorneys in the United Kingdom. A copy of the letter is exhibited to Ms Spring's declaration. It is marked 'CONFIDENTIAL', but the registered proprietor has not objected to the filing of the letter in evidence and I am satisfied that I should consider the content of the letter, not least because the purpose of the letter and the essential facts contained therein are volunteered by the registered proprietor in its counterstatement. Insofar as it is relevant, the letter reads:

The trademark OXYFRESH was also registered in Germany, Austria, China, Spain, France, Italy, Switzerland and Benelux for products and services of classes 3, 5 and 42.

Please consider this letter as an opportunity for your client to acquire relevant trademark rights in all mentioned countries dating back to November 1994.

Your client would then also be in a position to claim seniority from their EC-application nr 287136 dated 6th July 1996 and to act against any conflicting trademarks that may have been registered or used since 1995.

All trademark rights and registrations will be assigned to your client against a lump sum payment of 19,250- US \$.

Ms Spring says that it is clear from the status of Mayfair that there are no employees in the United Kingdom and, since Mayfair is not a wholly owned subsidiary of any other organisation, it is equally clear that there is no manufacturing and/or sales organisation which can supply Mayfair with products for sale in the United Kingdom. Therefore she maintains that the statement (paragraph 5 of the counterstatement) that the trade mark will be used by Mayfair is questionable.

Having regard to the lack of any manufacturing and/or sales organisation and the evident non-use of the trade mark OXYFRESH by Mayfair, Ms Spring says that Oxyfresh Worldwide was unaware of Mayfair and had no knowledge of the applications filed by Mr Baeyens for registration of the OXYFRESH trade mark until approached by Mr Baeyens. If they had been so aware, Oxyfresh Worldwide would have opposed the applications where possible.

Ms Spring concludes by saying that there can be no doubt that, at the date of application, there was no bona fide intention by Mayfair to use the mark OXYFRESH in the United Kingdom and, as such, the application was made in bad faith.

That concludes my review of the evidence in these proceedings, and I now turn to consider the ground of invalidation under the heading of bad faith.

#### *Bad faith*

Oxyfresh Worldwide claim that Mayfair applied to register the mark in bad faith contrary to section 3(6) and that the registration should be declared invalid according to section 47(1). These sections of the Act read as follows:

“47.—(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.”

5 “3.—(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

During the hearing, Mr Gordon referred me to an earlier decided case, *YOOHOO*<sup>1</sup>. This was a decision of the Assistant Registrar in respect of an application for a declaration of invalidity. Mr Gordon submitted that the facts in the present case are extremely similar to those in  
10 *YOOHOO*. In his decision in *YOOHOO*, the Assistant Registrar deals with the issue of bad faith at page 3. He says:

15 “The Act does not give any guidance on what would constitute bad faith and I am not aware that there is as yet any judicial authority on the subject so far as an invalidity action under the 1994 Act is concerned. Bad faith was considered in the *ROADRUNNER* case (CH 1996 R.No. 745) but the circumstances were different and that case does not assist here. However, the Notes on Clauses which were prepared for use in Parliament while the Trade Marks Bill was before it, were intended to reflect the purpose and effect of the provisions of the Act (subject, of course, to the necessary caveats that the Notes themselves do not have the force of law and that the interpretation of an Act of Parliament is ultimately a matter for the Courts). In relation to  
20 Section 3(6) the Notes read as follows:-

**Subsection (6)** declares that a trade mark is not registrable if the application for registration of the trade mark was made in bad faith. The provision does not attempt to indicate what is meant by “bad faith”, thereby leaving it to the registrar or the courts to decide in a particular case what amounts to bad faith. Examples of circumstances where  
25 bad faith might be found are

(i) where the applicant had no bona fide intention to use the mark, or intended to use it, but not for the whole range of goods and services listed in the application;

(ii) where the applicant was aware that someone else intends to use and/or register the mark, particularly where the applicant has a relationship, for example as employee or  
30 agent, with that other person, or where the applicant has copied a mark being used abroad with the intention of pre-empting the proprietor who intends to trade in the United Kingdom;

(iii) where the mark incorporates the name or image of a well-known person without his agreement. (This should not be taken as meaning that this provision is legislating  
35 for the protection of a personal name or reputation - these remain unprotected under English law, but the nexus between unregistrability and the name of a well-known person is that of the bad faith in which the application is made.)

Clearly (iii) above is of no relevance but (i) and (ii) cover just such circumstances as the applicants claim exist in this case.”

40 I agree with Mr Gordon’s submission that the Assistant Registrar’s reasoning in *YOOHOO*, as set out above, is still the correct approach.

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<sup>1</sup>SRIS m O-100-97

Regarding the registered proprietor's intention to use the mark, Oxyfresh Worldwide has raised a number of serious concerns in Ms Spring's evidence that have not been answered or challenged by the registered proprietor. In particular, the report compiled by Carratu International includes a copy of the financial accounts of Mayfair for the year ended  
5 28 February 1996, obtained from Companies House. The annual return states that the principal business activity of Mayfair as at 16 January 1996 was "clothing and other goods". The accounts report the total assets of Mayfair as two pounds sterling (£2). The profit and loss account, signed by Walter Baeyens, states that the company remained dormant during the financial period.

10 The Carratu International report exhibited to Ms Spring's statutory declaration also revealed that the address of the registered proprietor (St Georges House, 31A St Georges Road, Leyton) is the upper floor of a terraced house, partly converted into an office. This is also the address of 'Reserva Bureau - Walter Baeyens' — the agent acting for the registered  
15 "Leyton Office Services - Highly Confidential Mailing Address and Business Centre". In addition to providing a mail forwarding service, it appears that Leyton Office Services also offers a range of services including the provision of 'anonymous' and 'untraceable' 0700 telephone numbers, kits for "legally" removing county court judgments, anonymous credit cards and camouflage passports ("to use instead of your real one at hotels"). They even offer  
20 to help customers set up their own tax exempt church, and ordain the customer to the title reverend, minister etc..

I have already said that the counterstatement filed by the registered proprietor is not the clearest or most emphatic of denials. For example, after rehearsing the history of the dispute between the two parties, the counterstatement reads at paragraph 8:

25 *"8. From the above it becomes clear that MP (Mayfair Projects Ltd) did not file the application for registration in bad faith ."*

But it then continues with the following at paragraphs 9 & 10:

30 *"9. It is certain that MP's application for registration of the trademark OXYFRESH in the UK, for products other than 'Mouthwash and toothpaste', have not been made in bad faith . OW (Oxyfresh Worldwide) claims prior use only in respect of 'Mouthwash and toothpaste' (Class 03).*

35 *10. Conclusion :  
MP's application was not made in bad faith. Oxyfresh Worldwide Inc. should not be entered in the register as owner of the trade mark OXYFRESH in the UK. In the alternative, Oxyfresh Worldwide should not be entered in the register as owner of the trademark OXYFRESH in respect of products other than 'Mouthwash and toothpaste'.*

*The registered mark OXYFRESH 2021235 should not be declared invalid. In the alternative, the registered mark OXYFRESH 2021235 should not be declared invalid in respect of products other than 'Mouthwash and toothpaste'."*

The wording used suggests a level of confusion over the precise nature of the attack on this registration. The real issue is whether at the time of filing the application, Mayfair had a bona fide intention to use the mark. The applicant's reason(s) for bringing this invalidation action is(are) entirely immaterial. Whether or not the applicant has demonstrated prior use on any goods covered by the registration is equally irrelevant — this invalidation action is not based on relative grounds. The fact that the later-filed application by Oxyfresh Worldwide only relates to mouthwash and toothpaste is also irrelevant — the applicant does not need to be a person aggrieved in order to succeed in this application.

As it happens, according to the 1997 edition of the applicant's product catalogue, Oxyfresh Worldwide trades in a much wider range of goods than just mouthwash and toothpaste in America. (I note here that this catalogue is dated roughly three years *after* the material date in these proceedings, but then I am conscious that it is not the applicant's motive or use of the mark that is in question in these proceedings.) It may be that the applicant intends to test the United Kingdom market with a reduced product range at first. In any event, it is perhaps unfortunate that the specification of registration **m** 2021235 in Classes 3 and 5 compares very closely with the range of goods offered by Oxyfresh Worldwide Inc in America (according to the 1997 edition of the catalogue).

The applicant points to all these factors as proof that the registered proprietor does not have, and never has had, a real genuine intention to use the mark in this country. Furthermore, as soon as Oxyfresh Worldwide sought to invalidate the mark in the United Kingdom, Mr Baeyens (in his letter of 4 June 1997) immediately offered to sell registrations of the mark OXYFRESH in Germany, Austria, China, Spain, France, Italy, Switzerland and Benelux (and presumably the United Kingdom, though this is not made clear). Mr Gordon argued that this was further proof that Mayfair has no intention of using the mark.

In coming to an overall view I do not find any individual piece of evidence to be wholly persuasive in its own right and it is possible to identify shortcomings in the material before me; for example the Carratu International report is presumably hearsay. However, taken as a whole, the applicant has established a strong prima facie case in support of its claim. The evidence also raises important questions about Mayfair's capacity to make use of the mark; questions that would require convincing answers if I were to find other than in the applicant's favour. In the event the registered proprietor has not challenged any of the evidence filed by the applicant and I am left to draw my own conclusions from this. As a result I find that the applicant succeeds, and accordingly I order the complete removal of registration **m** 2021235 from the register of trade marks.

The applicant having succeeded, I therefore order the registered proprietor to pay the applicant the sum of **£635** as a contribution towards the cost of these proceedings.

**Dated this 25th day of March 1999**

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