# **TRADE MARKS ACT 1994**

# IN THE MATTER OF REGISTRATION NO. 1374248 IN THE NAME OF NORDIC SAUNAS LIMITED

#### **AND**

IN THE MATTER OF AN APPLICATION FOR REVOCATION AND A DECLARATION OF INVALIDITY UNDER NO. 10096 IN THE NAME OF NORDIC TIMBER COUNCIL AB

# **TRADE MARKS ACT 1994**

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#### 15 **Background**

Trade mark registration 1374248 in respect of the trade mark NORDIC, stands on the Trade Marks register in the name of Nordic Saunas Limited and is in respect of a specification of goods as follows:

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Buildings; building materials; windows, doors, panelling and panels; timber; lumber; stone, reconstituted and artificial stone for walls; floors; door frames; marble; reconstituted stone or artificial stone; works of stone masonry; tiles; non-metallic building frame works; parts and fittings for all the aforesaid goods; all included in Class 19.

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On 20 April 1998, Nordic Timber Council AB made an application under Section 47(1) and 46(1)(b) of the Act to have the trade mark registration revoked or declared invalid. The grounds of the application are, in summary:

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	1.	Under Section 3(1)	Because there was no use of the mark on goods other than saunas and sauna kits at the time the registration was filed.
35	2.	<b>Under Section 3(1)(b)</b>	Because the mark consists solely of a word which denotes the geographical origin of the goods.
40	3.	Under Section 3(1)(c)	Because the Nordic countries have a strong reputation for the production of wood and the manufacture of wooden products and consequently the mark applied for is devoid of any distinctive character
45	4.	<b>Under Section 3(6)</b>	Because the application was filed in respect of an unduly wide specification and the mark is a sign denoting geographical origin, and will prejudice the legitimate rights of other traders.

5. Under Section 46(1)(b)

Because the registered proprietors have not put the mark into genuine use in the United Kingdom in respect of the full specification for a continuous period of five years since registration and there are no proper reasons for non-use.

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The applicants ask that the registration be removed from the register and that costs be awarded in their favour.

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The registered proprietors filed a Counterstatement in which they deny the grounds of the application, and they ask that costs be awarded in their favour.

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Both sides filed evidence in these proceedings. The matter came to be heard on 8 May 2000, when the registered proprietors were represented by Mr Tim Ludbrook of Counsel, instructed by Stevens Hewlett & Perkins, their trade mark attorneys, the applicants were represented by Mr Richard Meade of Counsel, instructed by F J Cleveland, their trade mark attorneys.

# Registered proprietors' evidence (Rule 31(3))

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This consists of a Statutory Declaration dated 29 July 1998 and comes from Ian Ross Read, the Managing Director and Chairman of Nordic Saunas Limited, who has been employed by this company since 1965. Mr Read confirms that the contents of his Declaration come from the company records, to which he has full access, from his own knowledge, or from information made available to him.

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Mr Read says that his company began trading in 1965, and manufactures, supplies and installs, saunas, baths, spa and whirlpool baths, steam showers, Turkish baths and individual (unspecified) components for these goods. He refers to the details of the trade mark registration which is the subject of these proceedings and confirms that since 1965 his company has continuously used the trade mark NORDIC in respect of the goods covered by the registration. He states that his company supplies cut timber, lumber panelling and panels that are used in house construction, joinery and the construction of saunas. He refers to exhibits IRR1. IRR2, IRR3 and IRR4 which consists of:

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S an information sheet from the RIBA dated January 1987 relating to the registered proprietors' Nordic timber saunas A footnote says that it replaces an earlier sheet dated November 1978.

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S an undated article on the registered proprietors' sauna's, steam and whirlpool baths, steam and massage showers from a publication shown as KB & B

brochures relating to Nordic saunas and accessories for use with such goods, all undated but with some shown to be subject of copyright from 1965/88 and 1965/1996

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**S** brochures dating from 1996 and relating to saunas, windows, doors and wall panel components for use with sauna constructions, shower apparatus, shower

doors/panels, shower and bath enclosures, and controls/accessories for use with such goods which includes peridotite rock.

Mr Read says that the goods including timber are sold direct to the public and commercial customers, and via builders merchants, and that the goods have been sold throughout England. He sets out the turnover relating to sales of goods under the NORDIC trade mark for the years 1992 to 1998, and which are as follows:

	Year	Value £ Million
10	1992	2.89
	1993	2.58
	1994	2.81
	1995	2.86
	1996	2.80
15	1997	3.04
	1998	3.20

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Mr Read says that the average invoice value of the goods in January 1998 was £509.00. He goes on to say that for the year ending 31 May 1998 approximately £235,000 was spent advertising NORDIC products in the press and media, with a further £48,000 on brochures and catalogues, and from 1982 (the earliest computer record available) his company has spent some £2.51 million. He refers to exhibit IRR5 which consists of a list of publications in which NORDIC products have been promoted (although not the dates or details of the advertisements), and to exhibit IRR6 which consists of samples of advertisements placed in various trade and national publications promoting shower trays (1984/1990), saunas (1984/85/88/89/90/97/98), solariums (1984/85/97/98), shower enclosures (1984/88/89/90/98) steam rooms/showers (1985/89/90/97/98) and whirlpool baths (1997). Mr Read says that his company has also promoted goods under the trade mark at the Interbuild Exhibition, the last occasion being November 1995.

Mr Read goes on to say that the NORDIC trade mark appears on invoices, that his company is a member of the Swimming Pools and Allied Trades Association and that goods sold under the mark are listed on various Building databases. He concludes his Declaration by saying that his company to has a reputation for the mark NORDIC in respect of the goods covered by the registration.

# **Applicants' Evidence Rule 13(4)**

This consists of three Statutory Declarations. The first is dated 8 February 1999 and comes from Imogen Wiseman, an employee of F J Cleveland, the applicants' representative in these proceedings.

Ms Wiseman says that the applicants, Nordic Timber Council AB represent a number of producers of timber in Scandinavia. She states that it is well known that saunas originate and are very common in Finland. She refers to exhibit IOW1 which consists of the definition for sauna taken from two dictionaries and which indicate that sauna means a steam bath originating in Finland. Ms Wiseman says that NORDIC is a word indicating the origin of the

goods and is prima facie unregisterable. She refers to exhibit IOW2 which consists of definitions for the word NORDIC taken from Websters Third New International Dictionary and Collins English Dictionary, both showing the word as denoting the characteristics typical of a person from Scandinavia, with Websters also ascribing the meaning, "of or relating to Norway, Sweden, Denmark, Iceland and Finland"...

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Ms Wiseman next says that whilst the evidence filed by the registered proprietors shows use of the mark on saunas, showers, steam generators and whirlpool baths it shows no use in relation to windows, wood or wood products as separate items, other than as showers, saunas or preformed for use in the construction of showers and saunas. She refers to exhibit IOW3 which consists of Statutory Declarations dated 17 February 1999 from Nicola Amsel and Jeffrey Michael Green, partners in a firm of commercial investigators engaged by Ms Wiseman's company to investigate the registered proprietors' business activities.

- Ms Amsel refers to the principal objectives of the registered proprietors' company set out in their Memorandum of Association and in their company accounts for the period ending 31 May 1997, extracts of which is shown as exhibits NA1 and NA2 respectively. She goes on to list the reference sources checked, the positive results being shown as exhibit NA3 to NA6. Ms Amsel says that on 12 November 1998, she contacted the registered proprietors and requested brochures on their complete range of products, the printed matter received being shown as exhibit NA7, and which consists of the following printed materials:
  - S brochures for a range of NORDIC saunas, undated by showing a Design copyright 1965/88 and 1965/96
  - **S** price list for 1998 relating to NORDIC "genuine Finnish saunas and accessories.
  - **S** an undated instruction leaflet from NORDIC on building a sauna showing a copyright date of 1976
  - a 1998 price list relating to NORDIC shower doors and enclosures, shower trays, showers, steam showers and accessories for these goods.
  - S brochure for the 1997/98 range of NORDIC steam and shower cabins
    - **S** brochures for the 1998 range of NORDIC shower enclosures, shower trays, shower seats, steam generators and bathroom accessories and whirlpool baths
    - **S** brochure for NORDIC Turkish steam rooms, undated by showing a Design copyright 1985/97
    - S order forms relating to a special offer for saunas offered in 1998.
- 45 S an undated invitation to visit the NORDIC showroom

Ms Amsel says that on the 18 and 23 November 1998 she made further telephoned calls to the

registered proprietors and was told that the company only supplied kiln dried timber, including tongue and groove panelling for use in the construction of saunas, and that the timber was only suitable for indoor use with the saunas.

Mr Green refers to the Declaration made by Nicola Amsel, stating that he was instructed to carry out further investigations into the registered proprietors' business. He says that on 18 January 1999 he visited their premises in Oxted and was shown around the customer demonstration area. which housed shower units, steam units, steam showers, a sauna and other various (unspecified) fittings. Mr Green says that he was told that the company supplies prefabricated saunas made from kiln dried pine imported from Finland and that extra panelling of the wood used in the construction of the sauna was available.

Mr Green next refers to two visits made on 20 January 1999 to Travis Perkins Trading Company Limited and Jewsons Limited, both timber and builders merchants with branches throughout the country. Mr Green states that although the employees interviewed were aware of NORDIC saunas, they confirmed that their respective companies did not stock such goods.

### Registered Proprietors' Evidence (Rule 13(6)

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- This consists of three Statutory Declarations. The first is dated 22 August 1999 and comes from Darren Jarvis, the Head of Information Services for The Building Centre Group Limited, a position he has held for 7 years. Mr Jarvis confirms that he has been employed by the company for a total of 17 years.
- Mr Jarvis says that his company exists as a permanent exhibition, provides information services, acts as a bookshop and holds conferences for the building industry. He confirms that he is familiar with the NORDIC trade mark which he says he has known for at least 10 years, and that he would associate it with saunas, shower cubicles and steam cubicles from Nordic Saunas Limited. Mr Jarvis says that his company has held literature relating to the products of Nordic Saunas Limited since at least May 1968, which is the date of the earliest recorded agreement between Nordic and his company.
  - The second Statutory Declaration is dated 30 July 1999 and comes from John Coomber, an employee of Jewsons Limited, a timber and builders merchant. Mr Coomber says that he has been with his company for more than 40 years, although does not give any details of his experience or the positions he has held within the business.
  - Mr Coomber says that he has known of the trade mark NORDIC for 40 years and states that to his knowledge it has been in continuous use in respect of timber. He says that he associates the trade mark with Nordic Saunas Limited and that he would expect any timber or goods bearing the trade mark NORDIC to originate from them alone.
  - The final Statutory Declaration is dated 13 August 1999 and comes from Ian Ross Read and is the same person who made the earlier Declaration.
  - Mr Read goes to the Declaration made by Imogen Wiseman, and in particular to her assertion that the trade mark NORDIC is prima facie unregisterable, commenting that the registered

proprietors had provided evidence of acquired distinctiveness. He refers to exhibit IRR1 which consists of a copy of two Statutory Declarations made in support of the application for registration. These claim use of the NORDIC trade mark from 1965 in relation to various constructional elements for buildings as well as timber, and gives very modest annual sales for such goods for the years 1971 - 1989, and substantial sales figures in relation to baths, showers and fittings for the years 1982 - 1988.

Mr Read refers to exhibit IRR2 which consists of the results of a search of the United Kingdom trade marks database for registered trade marks consisting of, or incorporating the word NORDIC, from which he concludes that this element is not unregisterable. He goes on to refer to the circumstances in which company information becomes listed in trade directories which he says is heavily dependant on whether further advertising is paid for by a listed company, as is the position with the RIBA where his company has three listings, all showing NORDIC as a trade mark.

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Mr Read says that his company uses the trade mark NORDIC on wood and refers to the entry for timber in the Shorter Oxford Dictionary which he says gives the definition as, inter alia, "building materials generally" and "made of or consisting of wood. He refers to exhibit NA7 (to Nicola Amsel's Declaration) which consists of his company's price list which includes kiln dried finished panelling for saunas, and to exhibits IRR3, IRR4 and IRR5 which consist of a photograph of a pack of NORDIC tongue and groove panelling, a computer listing endorsed as relating to the years 1995 to 1999, and invoices from the years 1995 to 1997, both relating inter alia, to sales of the panelling.

He next says that exhibit NA7 also shows that his company has used the trade mark in connection with windows made from timber, both for saunas and as special orders, and refers to exhibit IRR6 which consists of an invoice dating from November 1996 for the supply of, inter alia, special opening double windows. He refers to the 1996 price guide shown as exhibit IRR1 to his first Declaration, and in particular, to the statement that the prices shown would be incorrect if the glazed wall panels and window bays were to be purchased separately.

Mr Read refers to peridotite rock which he says is used for sauna stoves, and to exhibits IRR7 and IRR8 which consist of a computer printout and a selection of invoices which shows that his company has been trading in this item under the NORDIC trade mark since 1995. He goes on to say that his company has also sold doors under the trade mark and refers to exhibit IRR9 which consists of invoices dating from July 1995 relating to the supply of a door and door frame for a sauna.

Mr Read comments on the investigations carried out by Jeffrey Green and Nicola Amsel which he says were not comprehensive. He refers to exhibits IRR10 and IRR11 which consist of a fax dated 28 July 1999 from The Building Centre confirming that they stocked specified NORDIC brochures, the earliest dating from 1996, and an extract from The Building Centre's Web Site taken on 5 August 1999 stating that that company is a source of information relating to construction although there no mention of NORDIC. He goes on to refer to the fact that the Manager of Travis Perkins in Altrincham had been able to provide a copy of his company's brochure, and to refer to exhibits IRR12, IRR13 and IRR14 which consist of computer lists detailing sales of goods detailed by code number only, to Graham Reeves, Travis Perkins,

Jewsons and Graham Group Plc.

Mr Read says that sales of saunas through builders merchants declined after 1992 with his company concentrating on selling direct to the public. He refers to exhibit IRR15 which consists of a number of questionnaires completed by persons in the building industry, and in which, inter alia, they set out details of their awareness of the trade mark NORDIC. The questionnaire indicates that it originates from Nordic Saunas Limited. None are signed/dated, do not say whether the person completing the questionnaire has any connection in trade with the registered proprietors or include the photograph they are said to have been shown. Mr Read does not say how these people were selected to complete the questionnaire or the number sent out and subsequently returned. Consequently they can be given little if any weight.

Mr Read says that sales of timber panelling and semi worked timber are mainly to the DIY market. He comments on the information obtained by Nicola Amsel and Jeffrey Green from his company's employees.

Mr Read concludes his Declaration by saying that his company tenders for projects and refers to exhibits IRR16, IRR17 and IRR18 which consist of paperwork bearing the NORDIC trade mark dating from 1996 - 1998 relating to a tender to supply a sauna/steam room, a door for an associated plant room and panelling and packs of timber.

# **Decision**

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At the hearing Mr Meade withdrew the ground founded under Section 3(6) and confirmed that the reference to Section 3(1) in paragraph 4 of the Statement of Grounds related to sub sections (b) and (c) of that Section.

I will turn first to the grounds under Section 47(1), which are based on Section 3(1)(b) and (c). Those sections read as follows:

- **3.(1)** The following shall not be registered -
  - (a) .....
  - **(b)** trade marks which are devoid of any distinctive character,
  - (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
  - (d) .....

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.

In the Windsurfing Chimsee trade mark case (1999) ETMR Issue 8 to which I was referred by

both counsels, the Court of Justice of the European Communities held that Article 3(1)(c) (from which Section 3(1)(c) is derived):

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prohibits registration of geographical names which are or may become associated by the relevant consumer with the goods for which registration is sought

where no such association exists, the question is whether it is reasonable to assume that the name is capable of designating the geographical origin of the goods

particular consideration should be given to the degree of familiarity of the relevant public with the geographical name, the characteristics of the place designated by that name and with the goods in question, although it is not necessary that the goods be manufactured in that place.

- The applicants contend that the word NORDIC is a geographical location with a reputation for wood and wood products, and also denotes the origin of the goods and services for which the mark is registered. That the word denotes a geographical location is supported by exhibit IOW2 which includes an extract from Websters Third New International Dictionary showing that one meaning for NORDIC is "of or relating to Norway, Sweden, Denmark, Iceland and Finland", and in common with an extract from Collins English Dictionary, the people that inhabit these countries. While Scandinavia may be the better known description for this group of countries, I take the view that the alternative description NORDIC will also be known to the public.
- Exhibit IRR1 states that saunas are made in Sweden, Denmark and Finland, and in Britain from imported timber which given the technical requirement for such timber I take to mean imported from these countries. The registered proprietors say that the genuine sauna originates from Finland (the source of their sauna) which is supported by exhibit IOW1 which contains two dictionary definitions confirming that the sauna originated in Finland. This is further emphasised by the registered proprietors' promotional literature, much of which is prominently marked "genuine Finnish indoor saunas". Even if the proprietors had not stated the origins of their goods, I consider it likely that the public would associate saunas and goods for use in connection with saunas with the Scandinavian or Nordic countries.
- Taking the above into account I find it likely that, prima facie, the public are likely to regard the word NORDIC as denoting, if not the individual countries, the geographical area comprising Scandinavia, and whether or not they know that saunas originated in Finland, will associate such goods with any or all of the NORDIC countries. While I have no evidence that the NORDIC countries have any particular reputation for building materials at large, such goods are easily transportable and I see no reason why the public should see the word NORDIC when used in connection with such goods, as anything other than the geographical area from which they have originated. As consequence I find the application for a Declaration of Invalidity in respect of Section 3(1)(b) and (c) to be successful.
- My findings under Section 3(1)(b) and (c) does not decide the matter as the registered proprietors claim that through the use they have made of it the trade mark NORDIC has become distinctive of their products, and that the proviso to Section 3(1) relating to acquired

distinctive character applies.

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The registered proprietors say that they have used the trade mark NORDIC continuously since 1965 in respect of the goods for which the mark is registered. The exhibits substantiate use of NORDIC dating from 1965 in relation to saunas and accessories for use with saunas. There has also been a trade in kiln dried tongue and groove pine panelling which is estimated by Mr Read to have run at around 550 packs each year from 1965, although there is nothing in the evidence which shows any use in relation to these goods earlier than 1995.

- The Statutory Declarations filed during the ex-parte consideration of the application, shown as exhibit IRR1, do not in my view substantiate a claim to acquired distinctiveness in respect of all of the goods for which the mark was subsequently registered. No examples of the mark in use or showing the goods it is said to have been used in connection with appear to have been provided. The turnover is at best borderline although when taken in conjunction with the length of use may well have been sufficient to support a claim in respect of a limited range of goods.
  - Considerably more detailed evidence of the use has been provided in these proceedings, from which it is possible to determine that at the time of filing the application for registration the registered proprietors would have been able to support a claim to acquired distinctiveness in respect of building for use as saunas, windows, doors and door frames for such buildings, doors and door frames for plant rooms for saunas, all made principally of wood, and peridotite rock for saunas.
- The proviso to Section 47(1) allows distinctiveness acquired after registration to be taken into account in invalidation proceedings. The registered proprietors maintain that they have used the mark on the majority of the goods for which the mark is registered, and make particular reference to tongue and groove panelling which they say they have sold since 1965.
- With the exception of kiln dried tongue and groove panelling there is no evidence of use on goods beyond the range I have already mentioned. In respect of the tongue and groove panelling there is no convincing evidence to support the length of use claimed, and as far as the evidence shows, the trade has been on a very modest level. In the TREAT trade mark case (1996 RPC p281) Jacob J cautioned against the 'unspoken and illogical assumption that use equals distinctiveness'. That they have used the trade mark in respect of tongue and groove panelling is not in doubt, but I am unable to conclude that the registered proprietors have established that the trade mark has acquired a distinctive character in respect of such panelling.
- I therefore find that the application for a Declaration of Invalidity is successful, albeit in part, and under the provisions of Section 47(5) I order that the registration be declared invalid in respect of all goods other than:
  - Buildings for use as saunas; windows for use in buildings containing saunas; doors and door frames for use in buildings for saunas and in plant rooms for saunas; all being principally of wood; peridotite rock for use in saunas.

Turning to the ground under Section 46(1)(b). The evidence shows that the registered proprietors have used the trade mark NORDIC in respect of the above detailed goods within the relevant five year period. Consequently, the application for revocation does not affect my findings in the invalidity action although for the same reasons can be considered to have been successful in part.

The applications for revocation and invalidation having succeeded only in part, the applicants are nonetheless entitled to a contribution towards their costs. The registered proprietors sought to defend the registration almost in its entirety, the only concession being in relation to two types of stone. I therefore consider that the applicants should be awarded the full costs and order the registered proprietor to pay the applicant the sum of £835 within seven days of the expiry of the period allowed for filing an appeal or, in the event of an unsuccessful appeal, within seven days of this decision becoming final.

#### Dated this 12 day of June 2000

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Mike Foley for the Registrar The Comptroller General