

**TRADE MARKS ACT 1994**

**IN THE MATTER OF REGISTRATION No. 2017278 in Class 25  
IN THE NAME OF KIM CARL MELLER**

**AND**

**IN THE MATTER OF AN APPLICATION FOR A DECLARATION OF  
INVALIDITY BY STANDQUICK LIMITED t/a THE END**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF Registration No. 2017278 in Class 25  
in the name of Kim Carl Meller**

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**AND**

**IN THE MATTER OF an Application for a Declaration of Invalidity  
by Standquick Limited t/a The End**

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The trade mark is registered as of 1 April 1997 under number 2017278 in the name of Kim Carl Meller in respect of Class 25 covering the following goods:

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Footwear and clothing

By an application dated 6 August 1997, Standquick Limited (trading as The End) applied for a declaration of invalidity. The grounds of the application are in summary:

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**1. Under Section 3(6)** Because the application was made in the full knowledge that the mark is owned by the applicants for a declaration of invalidity

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**2. Under Section 3(4)** Because the public will be deceived into believing that the registered proprietors' mark is associated with the applicants' earlier rights.

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**3. Under Section 5(1)** Because the registered proprietors' trade mark is identical with the applicants' earlier trade mark and has been registered for goods identical with those for which the earlier mark is protected.

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**4. Under Section 5(2)(a)** Because the registered proprietors' trade mark is identical with the applicants' earlier trade mark and has been registered for goods similar to those for which the earlier mark is protected.

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**5. Under Section 5(3)** Because the registered proprietors' trade mark is identical with the applicants' earlier trade mark and has been registered for goods which are not similar to those for which the earlier mark is protected. The applicants say that use of the proprietors' mark would, without due cause, take unfair advantage of, or be detrimental to the distinctive character or reputation of their mark.

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6. Under Section 5(4) Because of the applicants' goodwill and reputation in their trade mark.

7. In the exercise of the registrar's discretion.

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The applicants did not file a counterstatement. Both sides ask for an award of costs in their favour.

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Both sides evidence in these proceedings. The matter came to be heard on 9 October 2000, when the registered proprietor, Mr Kim Meller represented himself, the applicants were not represented.

### Applicants' Evidence

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This consists of a Statutory Declaration dated 20 November 1998, which comes from Linda Holloway, the Managing Director of Standquick Limited, trading as The End, a position which she says she has held since the incorporation of the company on 16 August 1993.

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Ms Holloway says that in 1991 she thought of the phrase "the end is the beginning" and chose the name THE END as a trade mark for her future venture. She says that she believes Mr Meller (the registered proprietor) saw her company's use of its trade mark THE END which by registering he is trying to appropriate, and that any use of the mark by him would be dishonest as he has been made aware of her company's rights.

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Ms Holloway continues saying that on 16 August 1993 she set up her company, Standquick Limited which trades as THE END. She says that at that time she employed a graphic design company, Kartelle Associates, to design a logo incorporating the trade mark THE END, and refers to Document A of exhibit LH1. This consists of a sheet containing the words THE END with the letter "N" reversed, enclosed within a square border. Ms Holloway says that her company has used this logo, as well as the words THE END in plain block capitals since 1993 in relation to clothing and related products.

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Ms Holloway refers to Documents B to N of exhibit LH1, which consists of:

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invoices dating from July to October 1993 for the supply/fix of (unspecified) signs, and items of hardware said to be a security shutter, to The End in Ruislip, which Ms Holloway says opened in September 1993

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an invoice dated July 1993 for the supply, and an example of, a carrier bag which Ms Holloway says is one of 10,000 obtained for the opening. The carrier bag bears the reverse "N" version of the THE END logo.

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invoices dating from November 1993 for the supply of items of clothing.

swing tag, letter headed paper and a compliment slip bearing the reverse "N" version of the THE END logo.

floor plan for an exhibition at the NEC Birmingham in August 1993.

label for Lucia collection, Spring Summer 94 (no mention of The End).

Ms Holloway refers to the growth of her company since its opening, stating that she has customers from throughout the United Kingdom. She sets out details of the turnover and advertising expenditure for the years 1993 to 1997, which for 1993-95 (the years prior to the relevant date) amounted to £430,000 and £700,00 respectively for turnover, which approximates to £17,200 and £28,000 respectively in advertising expenditure.

Ms Holloway says that her company has five stores, in Ruislip (September 1993), Ealing (October 1993), St Albans (December 1993), Watford (October 1994) and Windsor (April 1998). She refers to documents O and P of exhibit LH1, which consist of a two items of promotional material, one she describes as a flyer, the other part of the publicity for the opening of the Watford store (which Ms Holloway notes bears the phrase The end is the beginning) . Both items show the reverse “N” version of the THE END logo. Ms Holloway next refers to various entries in Yellow Pages, details of which are shown as documents Q to T in exhibit LH1.

Ms Holloway explains her decision to file a trade mark application, and to her becoming aware of the registration which is the subject of these proceedings. She refers to an exchange of correspondence with the registered proprietor and their agents, copies of which are shown as documents U to BB of exhibit LH1. Ms Holloway refers to her customers who she says are fashion conscious, discerning and expect a high standard of choice and level of service, saying that similar goods sold by another company could damage the reputation and goodwill that her company has built. She concludes her Declaration by stating there would be confusion if anyone else offered products under the trade mark THE END.

### **Registered proprietor's evidence**

This consists of a Statutory Declaration dated 1 April 1999, which comes from Kim Carl Meller, the Registered Proprietor of the trade mark registration which is the subject of these proceedings.

Mr Meller says that he devised the trade mark THE END in 1995 for possible use on footwear and clothing. He says that he only proceeded with the application to register the trade mark after conducting a search of the trade marks register and establishing that there were no conflicting marks. He confirms that he was not aware of the applicants or that they used THE END as a trade mark, and that in an attempt to resolve the conflict had offered to restrict the scope of the registration to footwear/ladies shoes, but this was not acceptable to the applicants.

Mr Meller states his belief that the Registrar does not regard boots, shoes, slippers and sandals to be goods of the same description or the same kind as articles of clothing. He refers to the applicants' claim to have used the trade mark THE END in respect of clothing, noting that they have not, and in his view, could not claim any use in respect of boots, shoes, slippers or sandals, and consequently, have no use in respect of the same or similar goods. He draws the conclusion that if the registration were limited to boots, shoes, slippers and sandals, the applicants would have no grounds for seeking to invalidate his registration.

## **Applicants' Evidence in Reply**

5 This consists of a Statutory Declaration dated 6 July 1999, which comes from Simon Malvin Walters, a trade mark agent employed by Trade Mark Consultants Co, the applicants' representatives in these proceedings.

10 Mr Walters comments on his clients' rights in the trade mark THE END and to the legal remedies that they have available. He refers to exhibit SMW1 which consists of a filing receipt relating to an application to register the trade mark THE END, filed by Standquick Limited. Mr Walters gives his view that footwear is identical or similar to clothing, often being sold in close proximity in the same retail outlets to the same customers.

That concludes my review of the evidence insofar as it is relevant to these proceedings.

## **Decision**

15 On the Friday (6 October 2000) prior to the hearing, the applicants (for a Declaration of Invalidity) sent a letter by fax notifying the Registrar and the registered proprietors that the grounds on which the application is based were being restricted to Section 5(4), and Section 3(6) of the Act.

20 The application is made under Section 47(1) and Section 47(2)(b) of the Trade Marks Act 1994, which read as follows:

25 **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).

30 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.

35 **47.- (2)(b)** The registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in Sections 5(1), (2) or (3) obtain, or

40 (b) that there is an earlier right in relation to which the conditions set out in Section 5(4) is satisfied,

unless the proprietor of the earlier trade mark or other earlier right has consented to the registration.

45 Turning first to the ground founded under Section 47(2)(b), this made under Section 5(4). That section reads as follows:

5.(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-

- 5 (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

10 A person thus entitled to prevent use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.

10 No reference is made in the grounds on which the application is based to any rule of law although the evidence refers to the law of passing off and I shall assume that this is the basis of the applicants’ objection. Mr Hobbs QC set out a summary of the elements of an action for passing off in WILD CHILD Trade Mark 1998 RPC 455. The necessary elements are said to be as follows:

15 that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

20 that there is a misrepresentation by the defendant (whether or not intentional leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and

25 that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

30 The applicants say that they have used the trade mark THE END, both in block capitals and in a logo form (with the letter N reversed) dating from 1993. The evidence shows that from July 1993 they were making preparations to trade using THE END as the name of a shop retailing clothing. Invoices from suppliers show the words in the usual style, presumably because it is not possible to reverse the letter N in type. The carrier bags, swing tags and examples of shop-fronts shown in the evidence, and with which the relevant consumers will come into contact, all use the “reverse N” logo, although in my view this is still likely to be read, and referred to as the words THE END.

35 The applicants say that they began trading in September 1993 from a shop in Ruislip, opening a further three shops, in Ealing, St Albans and Watford up to October 1994 prior to the relevant date, and a further shop in Windsor in April 1998. From the ensuing trade they achieved a turnover of £431,000 in 1993/94 and £700,00 in 1994/95, although do not say whether these are calendar years, or financial years (financial would be later than the relevant date). This gives them at best 18 months use prior to the relevant date, and a total turnover of £1,131,000 from four shops located in an area in, and around London. Although I have no evidence of the clothing industry by which to gauge the scale of their use of the mark, it does not seem to me to be that £1,131,000 in sales over 18 months spread between four shops is that significant.

45 The evidence refers to the applicants as being a ladieswear group, and the only specific items of clothing mentioned is on two invoices from suppliers relating to a delivery of a small number of

shirts, leggings, bodies and blouses to the applicants. There is no evidence of any sales being made to the public, nor to them having any trade in footwear.

5 The applicants say that they have spent approximately 4% of turnover on the promotion of the mark. The evidence relating to how they have promoted the mark is very limited, consisting of a reference to attending various trade shows, specifically, at the National Exhibition Centre in Birmingham in August 1993, and copies of a flyer and a poster although no details of how many were produced, where and for how long they were used, etc, and it is impossible to gauge their impact on the public.

10 The onus is very much on the applicants to show that they have the requisite goodwill and I find the evidence to be singularly unhelpful in its lack of anything relating to what, when and how much they have sold. In fact, there is no evidence of any sales to the public, an omission I find surprising. Taking the best view that I can, I come to the position that if the applicants have established a reputation and goodwill it can at best be as a retailer of ladies wear, in parts of London and the South East, but given the scarcity of evidence and the short period of time that they had been operating prior to the relevant date, I would have difficulty in saying that their reputation or goodwill goes beyond goods such as the shirts, leggings, bodies and blouses identified in the evidence.

20 I have already said that the applicants' "reverse N" logo is likely to be seen and referred to as THE END. There is, in any case, evidence of use of the words in normal script. It follows, therefore, that if the applicants' have necessary goodwill, that misrepresentation will follow.

25 Beyond a claim to having a substantial goodwill and reputation in clothing and related products, and a recital that the registered mark offends against the provisions of the Act, the applicants' Statement of Case does not say what, or why they consider damage will occur should the registered proprietors use the mark. They do not say that the registered proprietors trade in inferior goods and that should an association be made with their goods their goodwill and reputation would be diminished. Ms Holloway infers that this would be use in relation to similar goods to those for which her trade mark has a reputation or goodwill, and consequently, will lead her customers to associate or confuse their mark with hers which I can only take to be an inference that her trade would be diverted.

35 As matters stand, the description clothing in the registration would include the self same goods for which the applicants are likely to have built a reputation or goodwill. However, the registered proprietors say that they are only interested in footwear, and the question that I am left with is whether use of the mark by the registered proprietor in respect of footwear is likely to damage the opponents' reputation and goodwill in respect of shirts, leggings, bodies, blouses and the like.

40 Shirts, leggings, bodies blouses and footwear are all for wear, albeit on different parts of the body, and to that extent can be considered clothing and for the same purpose. I see no reason why the end users should not be the same. All are capable of being made of the same materials but given that footwear is worn as much to protect as to clothe, and manufactured accordingly, I would take the view that the goods are not of the same nature. I have no evidence which goes to trading patterns of the respective goods. However, these are fairly ordinary items which every person will  
45 at some time use or come into contact with, and as such, personal knowledge can be an adequate

substitute for evidence. Given their differences in nature, I think it is reasonable to assume that different machinery and processes are involved in the manufacture of footwear and clothing (such as shirts, leggings, bodies blouses) and consequently, that such goods will not usually be made by one manufacturer. Clothing of the type of shirts, leggings, bodies blouses are not an alternative to footwear and are not in competition for trade.

In most high streets there are shops, commonly referred to as shoe shops, that sell footwear and little else. There can also be found shops where footwear is sold along with items of clothing of the like of shirts, leggings, bodies and blouses, although I do not know of any retailers of such clothing that also have separate establishments trading exclusively in footwear. Accordingly, I do not think it unreasonable to conclude that shoe shops are a separate and distinct trade to shops selling other items of clothing. This is, I believe, a position with which the consumer will be aware, and consequently, I do not consider that the purchasing public would necessarily link a shoe shop and a clothing shop trading under the same or a similar name.

The distinction in trade can also be seen in the displays located inside shops. Those that sell clothing usually locate similar items together to enable the customers to view, compare the different styles and self select. Where these shops also sell footwear, these goods will be given their own separate area of the shop. Department stores and mail order catalogues also allocate footwear to a dedicated area. In my view this is a trading situation with which the consumer will be familiar, and apart from some very well known brands where use in relation to a diverse range of goods is likely to be taken as being from a single source (which is not the position in this case) the consumer is not likely to consider footwear and items of clothing such as shirts, leggings, bodies blouses to come from the same source.

I come to the view that the applicants have done just about enough to establish that at the relevant date they may well have had a reputation and some goodwill in respect of shirts, leggings, bodies, blouses and the like, but not beyond this and certainly not in respect of footwear. A purchaser familiar with the applicants' clothing may well see the registered proprietors' footwear and mistakenly infer there is some connection, but as the applicants do not trade in these goods and there is no evidence that they ever intended to, they cannot, in such circumstances, be injured through the loss of a sale or by having been denied a commercial opportunity.

There is no suggestion by the applicants that their goodwill would be damaged because the registered proprietors' goods are of inferior quality which would rub off on them. The registered proprietors say that they trade in quality footwear, a claim which has not been challenged by the applicants.

I have no idea of the uniqueness (or otherwise) of the trade mark THE END in the marketplace, there is no evidence to assist, and I cannot say that it will be any less distinctive by the registered proprietors' use of their mark. All I can say is the the trade mark consists of two ordinary English words in the form a very common phrase, but I am not prepared to go so far as to say that this means that it is in common use in the trade.

Taking all of the above into account I come to the view that the objection founded under Section 5(4)(a) succeeds in part, that is, in respect of clothing at large, but not in respect of footwear.



This leaves the matter of the grounds founded on Section 3(6) of the Act which reads as follows:

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

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The applicants' case rests upon an assertion that the registered proprietor must have known of their use of the mark, but nonetheless registered it and in doing so is trying to appropriate that which he knows is not theirs.

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A claim that an application has been made in bad faith implies some deliberate action by the applicant which they know to be wrong, or as put by Lindsay J in the GROMAX trade mark case (1999) RPC 10 "...includes some dealings which fall short of the standards of acceptable commercial behaviour...". It is a serious objection which places an onus of proof upon the party making the allegation. There is nothing in the evidence to support the applicants' claims and in my view they have fallen well short of establishing a case of bad faith. I dismiss the ground under Section 3(6).

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Given my findings under Section 5(4)(a), if the registered proprietor files a Form TM21 within one month from the end of the appeal period to reduce the registration to:

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Footwear

I will, in the event of no appeal, allow this application to proceed to registration. If the registered proprietor fails to file a TM21 within one month from the end of the appeal period, the application for a declaration of invalidity will be considered to have been successful.

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The registration is to remain, albeit in respect of a restricted range of goods, namely footwear. The application could therefore be taken to have been successful, at least in part. However, the registered proprietor did not seek to defend the entirety of specification of goods, but had offered to restrict the scope to footwear alone. The applicants did not consider this to be acceptable and sought to have the mark removed in its entirety. I therefore consider the application for a declaration of invalidity as having failed, and consequently, the registered proprietor is entitled to a contribution towards his costs. I order the applicants to pay the registered proprietor the sum of £535. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

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**Dated this 1 day of December 2000**

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**Mike Foley  
for the Registrar  
The Comptroller General**

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