

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No 1336042  
IN THE NAME OF HERMES INTERNATIONAL**

**AND**

**IN THE MATTER OF AN APPLICATION FOR REVOCATION  
BY HERMES ADMINISTRATIVE SERVICES LTD  
UNDER REVOCATION No 10929**

## **TRADE MARKS ACT 1994**

**IN THE MATTER OF Application No 1336042  
in the name of Hermes International**

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**IN THE MATTER OF Application for Revocation  
by Hermes Administrative Services Ltd under  
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### **BACKGROUND**

1. Registration No 1336042 is in respect of the trade mark shown below

**HERMÈS**

and which is registered for "Business consultancy and management; marketing research and studies; all included in Class 35. The trade mark was placed on the Register on 18 May 1990, and stands in the name of Hermes International.

2. On 23 June 1999, Hermes Administration Services Ltd of London applied to revoke the registration. The Statement of Grounds alleged that the trade mark had not been put to genuine use within the United Kingdom, either by the proprietor or with their consent, for a period of five years in relation to the services for which the trade mark is registered. The applicants therefore sought revocation in accordance with Section 46 of the Act.

3. The registered proprietors filed a counterstatement in which they claimed that the trade mark had been put to genuine use within the period of five years preceding the application for revocation.

4. Both sides sought their costs and both sides filed evidence in these proceedings.

5. The matter came to be heard on 11 April 2001 when the registered proprietors were represented by Ms Lindsey Lane of Counsel, instructed by Linklaters & Alliance and the applicants for revocation by Mr Michael Edenborough of Counsel, instructed by D Young & Co.

## Registered Proprietors' Evidence

6. This consists of a Statutory Declaration by Lucy Ann Headington dated 29 September 1999 and a Statutory Declaration by Jean Louis Dumas dated 17 November 2000.

7. Ms Headington is a trade mark assistant with the firm of RGC Jenkins & Co, the registered proprietors former representatives in this matter. She states that Mr Alain Bayle, Head of the Intellectual Property Department of Hermes International provided information contained within the Declaration and all of the materials exhibited.

8. She states that Mr Bayle advised that Hermes International authorised a subsidiary company, Hermes Sellier, to use the trade mark HERMES the subject of the registration in suit in respect of the services covered by that registration. Hermes Sellier is engaged in marketing HERMES products and in that context has entered into agreements with distributors in the United Kingdom. An example of such a distribution agreement is exhibited. Attention is drawn to Article 8 of the distribution agreement which states:-

“The exclusive distributor agrees to take guidance from HERMES accordingly and to display and promote the sale of HERMES products in the point of sale at retail prices and in the manner consistent with the worldwide stature and image of the HERMES group of companies.”

9. Ms Headington states that Mr Bayle has indicated that in this context Hermes Sellier, with the consent of Hermes International, has a role in advising the distributors on marketing. The distributors' contracts are also governed by the terms of the 'Hermes Charter for Sales in Hermes Corners' which is also exhibited. The Charter itself deals with the criteria for admission to Hermes Corners Network, the fitting out and decoration of the Hermes Corner, presentation of products, commercial behaviour, publicity, packaging, inspection by Hermes etc. In Ms Headington's view, the terms of these documents are concerned with the management of the respective businesses which are overseen by Hermes Sellier; once a distribution contract is signed, representatives of Hermes Sellier exchange letters with the distributor in order to advise them in the management of their business. Exhibited is correspondence between Hermes Sellier and ALPHA, (a trading style of Alpha Airport Holdings (UK) Ltd) and World Duty Free and Nuance Global Traders. The first is a piece of correspondence dated 19 March 1997 from HERMES to ALPHA and which comments on ALPHA's operation of a "Hermes Corner" following a visit by someone called Segolene Verdillon. The following extract is noted:-

“Also, we would like once again to insist on the necessity to have sales consultant more available to attend the customers. By the time Segolene was on the Corner, several clients were unattended which is prejudicial both to image and sales of HERMES. I think we may be facing the same problem than the one we discussed about for Terminal One (when Stella is absent).”

Apart from these observations, our Corner is said to be very nice and well placed.”

10. Next is a note of a meeting between HERMES and ALPHA Retail dated 19 March 1999. This was from Florian Craen to Ann-Marie Kiellond and Karen Simmonds. The meeting dealt with the subject of presentation, product assortment, prices and contained the statement 'training will be organised by the second semester of this year (merchandising and product information)'. There is also correspondence from Karen Simmonds of ALPHA Retail, which indicates that the issues raised at the meeting are in hand and there are plans to resolve them.

11. The correspondence between HERMES and World Duty Free is dated 27 October 1998, 4 November 1998, 5 November 1998 and 30 November 1998. The first consists of a note from Florian Craen to Vicky Verger North which deals with packaging, and incentives. The next deals with packaging materials (boxes for gloves). The remainder deals with a proposed and actual meeting held on 26 November 1998 to discuss sales results and matters related to the presentation of watches. The note of the meeting indicates that items such as returns, packaging, incentives, shipment insurance, presentation products, damaged products, and socks were dealt with. The remaining correspondence is between Florian Craen and Moyra Race of Nuance Global Traders. This refers to meetings between the two companies at which the items discussed, were leaflets, Japanese information, outlet indication, sales, re-order procedure incentives, a training seminar and consideration of whether an arm chair could be installed in a 'Hermes Corner' for the comfort of clients interested in shoes.

12. The Statutory Declaration of Jean Louis Dumas, the President of Hermes states that his company throughout the relevant period provided marketing, business and management support services to persons in the United Kingdom by (a) the provision of advisory assistance on how to coordinate the publicity campaigns of Hermes GB Ltd so as to harmonise, coordinate and integrate the overall image for the HERMES brand. In that connection, he encloses two invoices from HERMES to Hermes GB Ltd. The first is in connection with advisory assistance in relation to the participation by Hermes GB Ltd in a House and Garden Fair which took place in London on 25-26 June 1998. This Fair's purpose was to promote the 'Table Hermes' and 'Art de vivre' ranges of products. Services were provided by employees from his company who came from Paris to design the HERMES stand and provide marketing and promotion support to the HERMES products. The second invoice dated 13 June 1997 relates to a 'Horse Show' that took place in Windsor in the Spring of 1997. The services performed by the parent company consisted of organising the setting up of a marquee and advising on the presentation and design of the Hermes GB Ltd stand.

13. Mr Dumas goes on to say that his company authorised its subsidiary, Hermes Sellier to use the trade mark HERMES in relation to business consultancy and management; marketing research and studies. This arrangement was not formalised by written documentation but has been in effect since Hermes Sellier Ltd was created on 30 July 1976. This company has throughout the relevant period provided business support to Hermes GB Ltd in the form of financial planning, management of inventory and the provision of information technology services. With the exception of the latter, separate fees have not been paid for the services. In support of the latter however, there are invoices between Hermes Sellier and Hermes GB Ltd for equipment, and an international bulletin board installed in the HERMES shops in Glasgow and Sloane Street [London], and in Harrods. In that connection Mr Dumas says that his company intended to integrate each of its subsidiaries into the so-called 'Hermes Lotus Notes Network' and in that connection offered two different IT packages to its subsidiaries. He

exhibits a note which went to the subsidiaries on the subject. This, he says, indicates that information was provided as to costs of the different options and guidance was given as to which system each subsidiary should choose, depending on its size. All of this, he says, indicates that there is evidence of the provision by Hermes Sellier of Business Consultancy and Management Services. In relation to financial planning Mr Dumas states that Hermes GB Ltd has been given assistance and guidance by the company in the management of its annual budget and he exhibits a budget agreement for 1999 between Hermes GB Ltd and Hermes International which he says show financial planning advice was given by the parent to Hermes GB Ltd covering business and financial management services.

### **Applicants for revocations' evidence**

14. This comes in the form of a Statutory Declaration dated 12 March 2001 by Dawn Moody and a Statutory Declaration dated 8 March 2001 by Peter R Butler.

15. Ms Moody is a registered Trade Mark Attorney with Messrs D Young & Co, the applicants Attorneys. She says she is authorised by Hermes Administration Services Ltd to make the declaration.

16. Ms Moody exhibits an extract from the Fifth Edition of the Nice Classification which she says was in force at the time the registration in suit was filed. In her opinion, and on the basis of the extract, Mr Dumas, in particular, makes references to the provision of services which do not appear to be within the specification of the registration in suit. In particular, she states that Information Technology Services, namely the over viewing of any system implementation or maintenance of Hermes GB Ltd's IT system, onsite training related to personal computers, configuration and the installation of IT equipment would fall within Classes 37, and 41. In relation to financial planning services she believes that these would have been classified in Class 36 and also outwith the specification of services of the registration. Similarly, the reference made to advertising and promotional services. In her view the registered proprietors are trying to fit examples of assistance which may have been provided on an inter-company basis into the specification of the registration, regardless of whether such activities are actually covered by it.

17. Mr Peter Robert Butler is Chief Executor Officer of Hermes Lens Asset Management Ltd, a sister company of Hermes Administrative Services Ltd. He says that he has 25 years experience in company management, in particular in the financial management field including seven years experience as a Director of United Kingdom quoted companies in executive and non-executive positions. He is a fellow of the Institute of Chartered Accountants. He says that he has read the documents in these proceedings and in particular the Statutory Declarations of Lucy Ann Headington and Jean Louis Dumas. In his view many of the activities referred to by Mr Dumas appear to be normal activities carried out by a holding company or members of company groups for their related companies. In that connection he makes a number of specific comments which I do not need to summarise in detail. However, he does exhibit a copy of an article entitled Market Research by Sheila Webber of the

University of Strathclyde dated 8 November 1998, dealing with marketing research and market research and extracts from the website of the organisation ESOMAR, the World Association of Research Professionals. These are exhibited in order to support Mr Butler's view that the activities of marketing research professionals are quite distinct from the marketing support services referred to by Mr Dumas in his Statutory Declaration.

18. That concludes my review of the evidence.

## **DECISION**

19. This action is brought under Section 46 of the Trade Marks Act 1994, the relevant parts of which state:

“46.-(1) The registration of a trade mark may be revoked on any of the following grounds-

- (a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;
- (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;
- (c) .....
- (d) .....

(2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) .....

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

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-

- (a) the date of the application for revocation, or
- (b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date.”

20. Further, Section 100 of the Trade Marks Act 1994 states as follows:

“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.”

21. Mr Edenborough, on behalf of the applicants for revocation submitted that the evidence adduced by Hermes International in relation to their trade mark registration related to use of the trade mark in an internal capacity, between related companies in the Hermes International Group or its selling agents. This was not, in his view, genuine use as required under the provisions of Section 46 and therefore not sufficient to preserve the trade mark. The services provided were ancillary to the provision of the luxury goods in which Hermes International trades throughout its various outlets. More evidence was required to maintain a registration, namely the provision of a service under and by reference to the trade mark to a third party for the benefit of a third party's business and not as an ancillary service for the benefit of the suppliers' business, as in this case here. In any event, he also submitted that the services in relation to which the trade mark has been used as shown by the registered proprietors' evidence, did not fall within the specification of the trade mark as registered.

22. Ms Lane submitted that the evidence filed by Hermes International did show use of the trade mark in relation to the services for which it is registered. She drew my attention to the Statutory Declarations of Lucy Ann Headington and Jean Louis Dumas and in particular to advice provided relating to publicity campaigns, to IT systems, to financial management, the provision of business and marketing support relating to perfumes and watches, as well as the provision of advice relating to marketing and business management. Even if some of these services did not fall within the specification of services covered by the registration, she submitted that I should not undertake an unduly restrictive construction of the specification. Insofar as the type of use made of the trade mark, in her view, there was no logical reason why the use made by the registered proprietors in relation to the services supplied to other Group companies should not be taken into account, particularly where a charge had been made for the services. However, she pointed out that there was no requirement under Section 46 for a charge to be made for services provided under a trade mark.

23. The thrust of the submissions in this case point to the need for two questions to be determined. Has the trade mark been put to genuine use as required by Section 46? and are

the services in connection with which the trade mark has been used covered by the specification of services of the registration? But first there is a need to establish what the relevant period is in this case. The applicant for revocation's Statement of Grounds does not specify whether the application for revocation is made pursuant to Section 46(1)(a) or (b). Given the way that the case has developed in terms of evidence and the submissions made at the hearing I have no doubt that the grounds upon which this action is being pursued are those based upon Section 46(1)(b), in that the trade mark in question has been suspended for an uninterrupted period of five years, that five years commencing 22 June 1994 ie some five years before the date of application for revocation on 23 June 1999. Ms Lane was therefore correct in submitting that provided the registered proprietor can show use of the trade mark within that five year period, the application for revocation must fail.

24. I go on to consider whether there has been genuine use of the trade mark. The term 'genuine use' was considered by Jacob J in the following passage from *Euromarket Designs Incorporated v Peters* and another 2000 All ER (D) 1050 (the *Crate & Barrel* case):

“50. Assume, however there were these three things, namely the packaging on a few items posted at the US customer's request to the UK, gift registry sales, and a tiny amount of spillover advertisements in what the reader in the UK would know are US journals. Do they individually or collectively amount to “genuine use” of the UK registered mark? Miss Vitoria contends they do. She says the reference to “genuine” is merely in contradistinction to “sham”. Small though the use may have been, there was nothing fake about it. The mark appeared in the UK in connection with genuine transactions and that is enough.

51. I disagree. It seems to me that “genuine use” must involve that which a trader or consumer would regard as a real or genuine trade in this country. This involves quantity as well as the nature of the use. In part it is a question of degree and there may be cases on the borderline. If that were not so, if Miss Vitoria were right, a single advertisement intended for local consumption in just one US city in a journal which happened to have a tiny UK distribution would be enough to save a trade mark monopoly in this country. Yet the advertisement would not be “sham”. This to my mind shows that Miss Vitoria's gloss on the meaning of “genuine” is not enough. And the only stopping place after that is real trade in this country. I think all the examples relied upon are examples of trade just in the US.”

25. Mr Edenborough also drew my attention to *Avnet Inc v Isoact Ltd* [1998] FSR 16 page 20 where Jacob J said:

“I do not think that what the defendants do falls within class 35, as explained by the Registrar's officer. Certainly it is not shown to be within class 35 to Order 14 standard. So I do not think there is infringement of the mark established on that ground.

It is not necessary to go on further, but since the matter was argued, I will do so. The defendants counterclaim for rectification of the register or a declaration that the mark is invalid under section 46 and section 47 of the Trademarks Act. It is common



ground that although two grounds are relied upon, they effectively boil down to the same thing: do the plaintiffs use the mark for services covered by the registration? It seems to me that it is well arguable that they do not. What the plaintiffs do is to run a business of selling goods by catalogue - a catalogue equivalent of a retail business. In the course of that business they therefore carry advertisements of the goods of a variety of different manufacturers. In relation to those advertisements they enter into discussions with their suppliers, because it is important in a technical catalogue that the goods are described accurately. So they enter into discussions as to the precise description of the goods to be carried in their catalogue. That in itself I do not think could amount to the provision of advertising and promotional services. It is no different from a supermarket discussing and obtaining material for a special promotion of a particular manufacturer's goods.

However, the plaintiffs do more than that. They not only enter into discussions with their suppliers, but they charge the suppliers something for carrying the advertisement in their catalogue. Again, this is much the same as a supermarket proprietor, going in for a special promotion of a manufacturer's goods and asking the manufacturer to contribute to the cost of the special promotion.

Essentially, though, these plaintiffs in their retail sales by catalogue and the supermarket in its retail sale from a shop are conducting the same function. They are conducting the business of retail sales."

26. I also have regard to the now established line of authorities dealing with the consideration of matters under Sections 46 (and 47) in relation to specifications of goods and services namely: *Premier Brands UK Ltd v Typhoon Europe Ltd* [2000] FSR 767 *Pomaco Limited v Reed Consumer Books Limited* [2000] FSR 734 and *DECON Laboratories Ltd v Fred Baker Scientific Ltd* [2001] RPC 17 where Nueburger J. Jacob J and Pumphrey J have set down the criteria to be applied in determining whether a registered proprietor can and for what goods or services retain a registration.

27. *Hermes International*, it was accepted at the hearing, are manufacturers of a wide range of luxury goods. In addition to their own retail outlets they have a network of exclusive distributors which sell HERMES products in airport terminals and in-stores. Those involved with *Hermes International* under the latter arrangements are required to enter into an exclusive distributor agreement that, in turn, requires the distributor to sell and display products at the point of sale in accordance with the provisions of the 'Hermes Charter'. Both documents are exhibited in these proceedings and seem to me to allow the distributor to sell *Hermes* products only in the manner prescribed by *Hermes* and subject at all times to their control. Article 14 of the Charter states:

"*Hermes* shall always have the right to check that the exclusive distributor, the sales outlet and the *Hermes* Corner satisfy and continue to satisfy the requirements set out in the contract."

28. Given the fact that the registered proprietors' reputation and goods occupies the top end of the market, their approach to the appointment and supervision of a distributor of their

goods is understandable. Indeed in terms of safeguarding their position, a commercial necessity. It is therefore clear that the distributor is acting very much under the control of Hermes International and the services which the registered proprietors have provided must be seen in that context.

29. Ms Lane's skeleton argument stated that the evidence filed by Hermes indicated use of the trade mark in the relevant period in relation to the following activities:

- “(i) *Provision of advice relating to publicity campaigns.* The communication team of Hermes has provided advisory assistance to its UK subsidiary, Hermes GB Ltd, relating to the promotion of the HERMES product range and brand image. In particular, there are invoices bearing the Mark for services provided to Hermes GB Ltd in relation to the Windsor Horse Show (dated 30 June 1997) and the House and Garden Fair (dated 13 November 1998). (JLD/para 4 and exhibit JLD1.)
- (ii) *Provision of advice relating to IT systems* Hermes Sellier, a subsidiary of Hermes, has provided advice relating to the implementation and maintenance of IT systems for Hermes subsidiaries. In particular, there is a memorandum from Hermes Sellier to subsidiaries containing advice on IT options (dated 25 November 1998) and invoices bearing the Mark for services provided to Hermes GB Ltd in relation to IT equipment installed in shops in Sloane Street and Harrods, London and Glasgow (dated 30 December 1998) (JLD/para 5.1 and exhibits JLD2 and JLD3.)
- (iii) *Provision of advice relating to financial management* The Director of Communications and the European Financial Controller of Hermes have provided advice to Hermes GB Ltd concerning its marketing and advertising budgets. In particular, there is a document headed 1999 Budget Agreement bearing the Mark produced by Hermes for Hermes GB Ltd (dated 23 December 1998) and members of Hermes Finance Department have visited Hermes GB Ltd in order to provide business/financial services consultancy regularly since 1996 (JLD/para 5.2 and exhibit JLD4.)
- (iv) *Provision of business and marketing support relating to perfumes* Hermes has provided business and marketing support to Kenneth Green, the distributor of HERMES perfumes in the United Kingdom. In particular, there is a catalogue bearing the Mark produced by Hermes and supplied to Kenneth Green containing marketing information (dated 1998) (JLD/para 6 and exhibit JLD5.)
- (v) *Provision of marketing support relating to watches* Hermes GB Ltd has provided advertising and other forms of marketing support to La Montre Hermes, in connection with the sale of watches in the United Kingdom. In particular, there are invoices and correspondence bearing the Mark relating to the supply of these services (dating from 31 December 1998 to 20 January 1999). (JLD/para 7.1 and exhibit JLD6.)

- (vi) *Provision of advice relating to the marketing and business management*  
Hermes Sellier has provided advice to its distributors in duty free outlets in the United Kingdom relating to many aspects of marketing and business management. In particular, pursuant to agreements with these distributors (dated 28 November 1997 and 13 March 1998), the distributors have agreed to take guidance from Hermes Sellier, and there is considerable correspondence bearing the Mark (dating from 19 March 1997 to 5 August 1999) evidencing the provision of advice by Hermes Sellier, including advice as to pricing, stock, presentation, marketing and training (JLD/para 8 and LAH/paras 3 to 5 and exhibits LAH1 and LAH3.)”

30. In relation to (i), I do not consider that the invoices in relation to the provision of services provided by Hermes International to Hermes GB Ltd in relation to the Windsor Horse Show and the House and Garden Fair could legitimately be said to cover the provision of advice relating to publicity campaigns. The activities which they covered, according to Mr Dumas, consisted of designing and organising a stand and marquee for these events. Given the market sector that Hermes International occupies the control it exercises on those to whom the company's trade mark HERMES is licensed I do not find it surprising that Hermes International are involved in these events. But in my view, despite the charges levied by them to Hermes GB Ltd, this is an intra company activity which does not amount to genuine use of the HERMES trade mark in relation to publicity campaigns. This does not mean that such intra company activities could not be regarded as genuine use of a trade mark whether for payment or otherwise. But it is in such circumstances incumbent upon a party to show precisely what services were provided, design of stand, design of new publicity material - how that differed from 'standard displays' which might be used and what, if any, choice the party commissioning the advice had in relation to the material used. But perhaps, and more importantly, what freedom they had in commissioning advice from service providers other than their parent. No such detail is provided here. In those circumstances I am reluctant to agree with Ms Lane that that evidence does show use of the trade mark in relation to those services.

31. Insofar as item (ii), the provision of advice relating to IT Systems, is concerned, the memorandum from Hermes Sellier to subsidiaries containing advice on IT options related to the company's own internal network and does not suggest to me genuine use of the trade mark in relation to those services. Again, it represents internal advice from a parent to a subsidiary or a licensor to licensee in accordance with the agreement without the necessary supporting detail to enable a positive finding of the genuine use that Mr Justice Jacob, I think, has in mind in *Crate & Barrel*. The same applies in relation to item (iii), the provision of advice relating to financial management. It is inconceivable that the preparation by Hermes International of the 1999 budget agreement for Hermes GB (coupled with members of Hermes Finance Department visiting Hermes GB Ltd) could be said to be the provision of advice relating to financial management. That particular service is one which I have no doubt was simply an intra company arrangement, absent any evidence to the contrary. The provision of business and marketing support relating to perfumes and watches under (iv) and (v) is next. The evidence here suggests that this is no more than the normal promotion of watches and perfumes sold under the HERMES trade mark. The fact that Hermes GB Ltd is acting as the selling agent for another of the company's subsidiaries, Lamontre Hermes, in the United

Kingdom does not mean that they have provided marketing support or business support in relation to either of these particular sets of goods. Finally, in relation to item (vi) provision of advice relating to marketing and business management, Hermes International rely upon the advice given to its distributors in Duty Free outlets in the United Kingdom relating to many aspects of marketing and business management. In that connection I see no difference between the guidance provided by Hermes International under the exclusive distributor arrangements and Charter from the normal control exercised by most licensors. But this must be especially so in relation to the goods sold under this particular trade mark and the market in which they are sold. Considering matters in the round therefore, I reach the view that the registered proprietors have not used the trade mark HERMES either directly or indirectly in relation to the services covered by the registration. In reaching that view I take account of the fact that under the Trade Marks Act 1994 there is no need for a service to be provided for money or monies worth as under the Trade Marks Act 1938 (as amended). Therefore, intra company trade is not ruled out in the support of a registration in a case such as this. However, in order to defend a registration against an allegation that the trade mark has not been used, the Trade Marks Registry would normally expect to see more than assertions that the trade mark has been used or indeed efforts made to construe a document, in this case the exclusive distributor agreement, to demonstrate that the trade mark has been used in relation to the services covered by the registration. What should be provided are clear examples of how the trade mark has been used in relation to the services of the registration and figures setting out the actual trade in the services, or very precisely the way in which the services have been provided if they have not been provided for monetary value. In such cases the date or dates of when these services have been provided, together with as much supporting information and corroboration would help. It would be particularly relevant if the services provided by the parent to the subsidiary were also made available to third parties in demonstrating actual trade in the services.

32. In reaching this view I have taken into account particularly the views of Mr Justice Jacob in *Avnet Inc.* In that case he held that the defendant was a retailer and the services provided were merely an adjunct to that activity. In this case the registered proprietors and the originator of high class luxury goods and in addition to selling them through their own retail outlets allows others to do so through exclusive distributor agreements. The services provided have, by and large, been provided as an adjunct to the business of directly or indirectly putting their goods on the market. The applicant for revocations' allegation that the trade mark in suit has not been used in the five years up to the date of the application for revocation has, in my view, been made out under the provisions of Section 46(1)(b). The registration must therefore be revoked in full.

33. In the event that I am found wrong in relation to the above I go on to consider the second question which was whether the services on which the registered proprietors claim to have used the trade mark in suit were in fact covered by the services set out in the registration? I have set out at Annex A a list of the services appearing in Class 35 according to the Fifth Edition of the International Classification of Goods and Services which was in force when

the registration in suit was granted. I note that the registered proprietors' services are positively restricted to services falling within Class 35. The specification reads as follows: Business consultancy and management; marketing research and studies; all included in Class 35.

34. In considering whether the services claimed to have been provided by the registered proprietor under the trade mark I bear in mind the view expressed by Mr Justice Jacob in the Avnet case referred to earlier when he said:

“It is not an unimportant question, because definitions of services, which I think cover six of the classifications in the respect of which trade marks can be registered, are inherently less precise than specification of goods. The latter can be, and generally are, rather precise, such as boots and shoes.

In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

35. Again, using the list as set out in Ms Lane's skeleton argument above, I would be content to accept that the provision of advice relating to publicity campaigns was a service which was proper to Class 35 as I would the provision of business and marketing support relating to perfumes and watches. Similarly the provision of advice relating to marketing and business management. But, bearing in mind the views of Jacob J, I do not believe that those activities fall within the specification of services of the registration in suit. Business consultancy could have wide connotations, but the core meaning is not related to publicity campaigns or marketing support. And the business management here is, in my view, outwith the core meaning in the specification because in this case it is directed to the control exercised by the registered proprietors under the distribution agreement. The provision of advice relating to IT systems, is not one which would fall within Class 35. Ms Lane submitted that the provision of this sort of advice came under the general heading of business consultancy. I beg to differ with her. I think the provision of advice on Information Technology is one which would either fall under Class 37 (the office machine equipment, installation, maintenance and repair of) or Class 42 (computer programming, computer rental etc). In relation to the provision of advice relating to financial management, although accounting is included in Class 35 the services described and provided by Hermes International would, in my view, fall under Class 36 and not Class 35. Therefore, in relation to the services which Hermes have claimed to have provided under the trade mark, none could form the basis of a claim to use in relation to the services for which the trade mark is registered. In summary the trade mark has not been used on any of the services specified by the registration.

36. My decision is that the trade mark in suit should be revoked in full and taking into account the provisions of Section 46(6) I consider that the trade mark should be revoked with effect from the date of the application for revocation ie 23 June 1999.

37. The applicants for revocation having been successful they are entitled to an award of costs in their favour. Bearing in mind that there was an Interlocutory Hearing on this case at which they were awarded the sum of £100 to be reflected in the final costs order in these proceedings, I order the registered proprietors to pay to the applicants for revocation the sum of £1,200. 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.

**Dated this 1<sup>ST</sup> day of August 2001**

**M KNIGHT  
For the Registrar  
the Comptroller-General**

**Annex A as a paper copy**