

O-386-03

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2293645
BY STASH LIMITED TO REGISTER THE TRADE MARK
STASH IN CLASSES 25 & 28**

AND

**IN THE MATTER OF OPPOSITION No. 90766
BY SAMURAI SPORTSWEAR LTD**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No. 2293645
by Stash Limited to register the Trade Mark STASH
in Classes 25 and 28**

and

**IN THE MATTER OF Opposition No. 90766
by Samurai Sportswear Ltd**

Background

1. On 25 February 2002 Stash Limited applied to register the mark STASH for:

Class 25

Clothing; sports clothing; footwear; headgear.

Class 28

Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees.

2. The application is numbered 2293645.

3. On 28 June 2002 Samurai Sportswear Ltd filed notice of opposition to this application. The opponents say that the term STASH is entirely descriptive and non-distinctive in relation to the goods of the application. They say that STASH is a colloquial term widely used amongst sportsmen in general and rugby players in particular as an alternative name for sportswear or other sportsgear. Objection is taken under Section 3(1)(b)(c) and (d) of the Act.

4. In the alternative, if the above claim is not accepted, they say that the term was adopted and used by others to whom goodwill will belong. Although the use of the word goodwill might suggest that the opponents were taking an objection under Section 5(4)(a) this is not the case. Rather the opponents say that the registration was filed in bad faith contrary to Section 3(6).

5. The applicants filed a counterstatement denying the above grounds.

6. Both sides ask for an award of costs in their favour.

7. Both sides filed evidence. The papers were reviewed by a Hearing Officer who indicated that he did not think a hearing was necessary for a decision to be reached in

these proceedings. The parties were nevertheless reminded of their right to be heard or to offer written submissions. In the event both sides elected to file written submissions in lieu of a hearing. These are contained in or under cover of letters of 7 November 2003 from Serjeants on behalf of the applicants and Sanderson & Co on behalf of the opponents.

The Law

8. The relevant part of the statute reads:

“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) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade:

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.”

and

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

9. I take the view that this case falls to be decided under Section 3(1) of the Act. The Section 3(6) objection is framed in terms that suggest it should either have been the subject of an objection under Section 5(4)(a) or is to be interpreted as meaning that the claimed bad faith lies in the applicants adopting a mark that was in use by others for descriptive purposes. Section 5(4)(a) has not been pleaded and the other reading of the objection is heavily dependent on the outcome of the Section 3(1) case. I will, therefore concentrate on the latter.

Authorities

10. There are now a number of authorities which provide guidance on the principles to be followed in applying the Section including *CYCLING IS* Trade Mark Applications [2002] RPC 37 and the ECJ cases of *Libertel Group BV v Benelux Markenbureau*, Case C-104/01 and *Linde AG (and others) v Deutsches Patent-und Markenamt*, Joined Cases C-53/01 to C-55/01 and *Merz v Krell GmbH & Co* [2002] ETMR 21. The principles that I draw from these decisions can be summarised as follows:

- an objection under Section 3(1)(b) operates independently of objections under Section 3(1)(c) (*Cycling IS* paragraphs 43-45 and *Linde* paragraphs 67-68);
- for a mark to possess a distinctive character it must identify the product (or service) in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product (or service) from the products (or services) of other undertakings (*Linde* paragraphs 40-41 and 47);
- it is legitimate, when assessing whether a sign is sufficiently distinctive to qualify for registration, to consider whether it can be presumed that independent use of the same sign by different suppliers of goods or services of the kind specified in the application for registration would be likely to cause the relevant class of persons or at least a significant proportion thereof, to believe that the goods or services on offer to them come from the same undertaking or economically-linked undertakings (*Cycling IS* paragraph 53);
- a trade mark's distinctiveness is not to be considered in the abstract but rather by reference to the goods or services in respect of which registration is sought and by reference to the relevant public's perception of that mark (*Libertel* paragraphs 72-77 and *Cycling IS* PARAGRAPHS 54-61);
- the relevant public must be deemed to be composed of the average consumer who is reasonably well informed and reasonably observant and circumspect (*Libertel* paragraph 46 referring to Case C-342/97 *Lloyd Schuhfabrik Meyer*);
- in determining whether a mark consists exclusively of a sign that has become customary in the language of the trade it is immaterial whether the sign in question describes the properties or characteristics of the goods (*Merz & Krell* paragraph 41).

Evidence

11. The evidence in the case comes from Terrence Edward Dennis Sands, a Director of Samurai Sportswear Ltd and David Andrew Green, the Managing Director of Stash (UK) Limited.

12. Mr Sands has been employed in the sale of sportswear in general, and rugby gear in particular, since 1994. Between then and October 2000 he sold sportswear both as a sole trader and in partnership under the trading name Titan Sportswear. He is also the founder and team manager of the Samurai Rugby Club, an international rugby sevens team.

13. In about 1993 or 1994 Mr Sands entered into a joint project with Knitcraft Ltd, a company of which Mr Green is a Director, to produce a range of sportswear and other merchandise to promote the Samurai team. Mr Sands says there was no formal partnership agreement between the companies but later refers to the termination of the joint venture in December 2000 at which point Knitcraft's share was purchased for the sum of £10,000. Stash (UK) Ltd, where Mr Green is Managing Director, was incorporated in January 2002.

14. A good deal of effort has been expended in the evidence setting out Mr Sands' and Mr Green's positions in relation to their past dealings, their involvement in the Samurai Rugby Club and a Samurai Sportswear business, and the mark (Samurai) used in that business. Some of the details are disputed. Much of this evidence is not relevant to the issue that is now before me.

15. Accordingly, rather than providing a full summary of the evidence I will concentrate on the principal claims made and the exhibits filed in support of those claims. Mr Sands' position is encapsulated in the following extract from his witness statement:

“Put simply, the term “stash” is almost universally understood by rugby players and other sportsmen to mean “kit”. The word is most often used to refer to playing kit or other items of sportswear or merchandise which a player might be given by his team or club for playing in and/or wearing as leisurewear. Such items might be free of charge, subsidised or offered for sale by the club, or their sponsors.”

Mr Green's case is that:

“I do not dispute that some use has been made of the word ‘stash’ to describe rugby clothing in general terms. However, this use has always been limited to a very small group of individuals who are closely linked to Terrence Sands or myself on a professional or personal level. My own opinion is that the word ‘stash’ has no special meaning whatsoever outside of this small group and will only be understood by most people to mean the act of storing money or valuables for safe keeping, or a secret place where something is hidden or stored.”

16. Mr Sands exhibits the following in support of his claim:

- TS2 - a copy of an advertisement in the programme for the 13th National Schools Rugby Festival said to have been placed in October 1999. The advertisement is under the name Titan Sportswear but features a number of other third party brands that were presumably being offered by Titan. The words “Quality Stash” are used in what I would take to be a descriptive sense;
- TS3 - a “To whom it may concern” letter from a Mr N J Prentice, a partner in Titan Sportswear dealing inter alia with Mr Green’s lack of knowledge of the rugby world and the meaning of the word ‘stash’;
- TS4 - an invitation sent out to players in December 1997 inviting them to play for the Samurai rugby team in the Amsterdam Sevens in May 1998. The term ‘stash’ is used to indicate rugby kit. It is pointed out that Mr Green’s company was one of the sponsors whose names appear at the foot of the document;
- TS5 - the results of a questionnaire survey. Some 90 questionnaires were circulated and 84 responses received. All the replies are said to associate ‘stash’ with rugby and 79 (94%) associate the term with rugby kit. The questionnaire survey is criticised by the applicants. I will return to this in due course;
- TS6 - a letter from a large supplier of rugby kit and other gear who is put forward as an independent expert and who indicates that ‘stash’ is clubhouse slang which “should be freely available for use by all in the normal course of their business”. He does not actually say what it means to him;
- TS7 - print-outs of two recent e-mail orders making reference to the term ‘stash’;
- TS8 - a website print from Hull University Rugby Club referring to “order stash online” and “get Canterbury stash online” (Canterbury is said to be a well known kit manufacturer);
- TS9-17 the front page of a Google search showing references to ‘stash’ and print-outs from a selection of the websites. This material is by way of reply evidence and is criticised by the applicants. I will deal with this below.

17. Mr Green’s evidence sets out his own version of the business relationship between himself and Mr Sands. He also exhibits a photocopy of an extract from Collins English

Dictionary (DG4) giving as the meaning of the word ‘stash’ – “to put or store (money, valuables etc) in a secret place as for safekeeping” and a noun deriving from this usage. The remainder of his witness statement is devoted to a critique of two of Mr Sands’ exhibits. Firstly, exhibit TS4 (the invitation document) would, he suggests, have received a limited distribution. Secondly, he offers extensive commentary on Mr Sands’ questionnaire evidence. The main points are:

- a sizeable proportion of the individuals who responded to the questionnaire play for one of five clubs viz Hadleigh RFC; Rosslyn Park RFC; Nantymoel RFC, England 7s and Samurai Invitation Rugby 7s Club;
- furthermore there is some overlap between these clubs with individuals occupying positions in both;
- another of the respondents is the Managing Director of one of the main sponsors of the Samurai Club (and his wife);
- Mr Green’s analysis suggests that this leaves a total of 15 respondents who do not appear to have any obvious association with any of the above mentioned rugby clubs. However, he suggests that at least 3 of the group have some other association with Mr Sands.

18. It will be convenient to deal with the questionnaire survey at this point in view of the criticisms levelled at it.

19. In *Imperial Group Plc v Philip Morris Ltd* [1984] RPC 293 it was held:

“If a survey is to have validity (a) the interviewees must be selected so as to represent a relevant cross-section of the public, (b) the size must be statistically significant, (c) it must be conducted fairly, (d) all the surveys carried out must be disclosed including the number carried out, how they were conducted, and the totality of the persons involved, (e) the totality of the answers given must be disclosed and made available to the defendant, (f) the questions must not be leading nor should they lead the person answering into a field of speculation he would never have embarked upon had the question not been put, (h) the exact answers and not some abbreviated form must be recorded, (i) the instructions to the interviewers as to how to carry out the survey must be disclosed and (j) where the answers are coded for computer input, the coding instructions must be disclosed.”

(Headnotes)

20. Mr Sands says that “The questionnaire was distributed as widely as possible to people at all levels within the game from internationals to amateurs, including youth teams and women’s teams, and in various capacities, including players, coaches, club directors, physiotherapists, team managers, club secretaries, supporters, referees, club presidents and sponsors.” He also says that he tried to achieve a broad geographical

spread. He concedes that the method of distributing the questionnaires (through his contacts in the game) meant that some of the respondents were known to him personally or professionally. However these contacts were also invited to pass the questionnaire to their associates thus producing a “pyramid” effect. He denies that he has any connection with Rosslyn Park or Nantymoel Rugby Clubs. Any inference that a relatively large number of respondents could have been influenced by the opponents in the answers they gave is strongly refuted.

21. I believe the applicants are entitled to criticise aspects of the questionnaire survey. Although the results have been filed I have not been told how or in what circumstances the questionnaires were distributed, save that some were distributed at various rugby tournaments. What was said by way of introduction and, therefore, whether there was any unintentional or accidental leading cannot be determined. Other questionnaires may have been sent under cover of a letter. But if that is the case the covering letter should also have been exhibited.

22. The size of the survey is relatively small. Even within the rugby community it is difficult to say whether it is statistically significant. The response rate of over 90% seems extraordinarily high unless the respondents were invited to complete the questionnaire at the time it was distributed. There also appears to be a heavy concentration of respondents from three areas, London, Suffolk and South Wales. Further information on the conduct of the survey may have cast light on why this was so. Mr Green suggests that it was because five rugby clubs provided a sizeable proportion of the respondents.

23. Nevertheless I have no reason to suppose that the opponents were in a position to influence the view of the respondents. The outcome of the survey was near unanimity that ‘stash’ means rugby kit, usually clothing items distributed free of charge. There is some limited support in the survey answers that it also covers other things – bags, balls, caps, accessories and leisurewear are specifically mentioned. I note too that most of the respondents claim to have been familiar with the term for a number of years. I conclude that justifiable criticisms can be made of the survey but the results cannot be discounted completely.

24. The applicants do not, of course, dispute that the term ‘stash’ is used in relation to rugby clothing. Their claim is that this use has been restricted to a small group of individuals closely linked to Mr Sands and Mr Green on a professional or personal level. If the survey was also heavily skewed towards this group (I comment in passing that I do not find the evidence conclusive one way or the other on this point) then it would further diminish its value. However, the opponents’ case does not turn on the survey alone. I, therefore, turn to the other evidence filed in the case and in doing so take into account the applicants’ submissions relating thereto.

25. Exhibits TS2 and 4 are respectively an advertisement and invitation generated by Titan/Mr Sands. Whilst I accept that they show descriptive use of ‘stash’ they are not in themselves indicative of widespread use and may be said to purely reflect Mr Sands understanding/use of the term. They are also unlikely to have received wide circulation.

The advertisement (from a schools rugby festival) and the invitation (to play for the Samurais in a rugby sevens tournament) are acknowledged to have been sent to a small number of people.

26. Exhibit TS3 is an open letter presumably solicited for the purposes of these proceedings. It should have been filed in proper evidential form if the writer's views were to be given due weight. The writer was also a partner in Titan Sportswear and, therefore, a close business acquaintance of Mr Sands. The letter sets out Mr Prentice's view that, at the time of his and Mr Sands' involvement with Mr Green's company (as a supplier of rugby clothing), Mr Green had no knowledge of what the term 'stash' meant. Mr Prentice says that it was explained to him and used thereafter in other business dealings. I do not understand Mr Green to dispute this. Equally I consider that the deficiency in the form of the evidence is such that I should not accord it weight. Exhibit TS6 also appears to fall into this category of being a solicited letter. For the same reason (and because it is not clear what the writer understands 'stash' to mean) I cannot give it weight.

27. Exhibits TS7 and 8 are unsolicited items which contain references to stash in orders for rugby kit (from two teams) and in a Hull University website page. It is clear that the word 'stash' is used in a descriptive manner and with the expectation that the addressee or reader will understand the term. Strictly these exhibits are dated after the material date in these proceedings (though not by much in the case of TS8).

28. The remaining exhibits are taken from a Google search and subsequent searches in the websites thus identified. The applicants' written submissions make two general criticisms of this evidence. Firstly they say that this material is not evidence strictly in reply in accordance with Rule 13(10) of the Trade Marks Rules 2000 and is an attempt to introduce evidence that could have been filed earlier. Secondly, they say that it suffers from the same defect as Exhibits TS7 and 8 being dated after the relevant date in these proceedings.

29. On the first of these points I note that the evidence in question was sent to the applicants' attorneys by the opponents' attorneys under cover of a letter dated 10 September 2003. So far as I am aware no complaint was made at the time. The Registry's Law Section subsequently processed the evidence and wrote to the parties on 26 September 2003 notifying them to this effect and indicating that the evidence rounds were considered to be complete. On the same day the case was reviewed by a Hearing Officer and a further letter was sent to the parties. At no stage do the applicants appear to have raised any objection to the opponents' reply evidence. It seems to me, therefore, that the time has now long passed to raise a technical objection to the evidence. By inviting me (in their written submissions) to refuse to admit this evidence they would effectively be denying the opponents an opportunity to deal with the point. I intend, therefore, to consider this evidence on its merits.

30. The Google search was carried out on the term 'rugby stash'. There were, it seems, some 1770 hits (not all are likely to be relevant). Only the first three pages are exhibited.

It must be said that the first two items appear to refer to Mr Green's company at www.knitcraft.co.uk. The other references (almost all of which would, I think, be taken as descriptive in nature) are mainly from rugby clubs. I note that the term appears to have transcended the codes with an entry for Exeter University Rugby League Club. The subsequent website pages (with dates) contained references such as the following:

- TS10 - "Available kit (stash)" and "stash orders" (Exeter University Rugby League Club – 18 March 2003);
- TS11 - "Did anyone see an article in the Sunday Times about the stash the Kiwis wear" (BUSA Rugby Review – 19 August 2003);
- TS12 - "Depending which club, school or organization you are coaching, they should have stash available whether for free or for sale" (correspondence on the Rugby Football Union official website – 8 April 2003);
- TS13 - "Best kit and best stash by far" and "..... fundraising for all our stash" (Fylde Rugby – report from May 2003);
- TS14 - "Angered by the fact that the Tabs seemed to have more stash than him" (Oxford University Rugby Football Club – 12 December 2000);
- TS15 - "Boro stash on order" (Boro Road Rugby Club – 8 October 2001).

31. The applicants rightly point out that Exhibits TS10 to 13 are dated after 25 February 2002. TS14 and 15 are not. I take the view that the collective force of the evidence is that the term 'stash' has become widely used in rugby circles to indicate kit, particularly clothing. I find that such usage is not confined to a close circle of Mr Sands' personal and professional contacts. I also note that the majority of the survey respondents claim to have been aware of the term for in excess of five years and some for 15 or 20 years or more.

32. It does not follow that, because a word is in colloquial use, that it is automatically debarred from functioning as a trade mark. However, it is apparent from the evidence in this case that the term is widely used in a trading context (but not in a trade mark sense). Thus there are references such as 'order stash online' and 'Stash orders' along with on-screen invitations to click on the 'stash list'.

33. I conclude that the evidence points to a finding against the applicants under Section 3(1)(d) in that the term was customary in the trade as at 25 February 2002. I recognise that some of the material relied on by the opponents is dated after this. If I am wrong in reaching the above conclusion I would nevertheless hold that the mark is open to objection under Section 3(1)(b) and (c) with the evidence that is dated after February 2002 being indicative of what the position is likely to have been at the earlier date.

34. Although the applicants did not concede the position under Section 3(1) their written submissions advance an alternative position which they ask me to consider if my decision is otherwise against them. This is that the specification of goods should be restricted as follows:

Class 25:

Clothing; sports clothing; footwear; headgear; not including items being adapted for use in the sport of rugby union football.

Class 28:

Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees; not including items being adapted for use in the sport of rugby union football.

35. I have found that the term ‘stash’ is used primarily to mean rugby clothing. More usually the reference is simply to kit. The evidence does not address the full scope of the term in detail though there are references in the questionnaire evidence to bags, leisurewear, accessories, etc.

36. I am unable to accept the applicants’ proposal in relation to Class 25. Firstly, the term does not appear to be restricted to rugby union and given that players move between the codes with rather greater freedom than was once possible it is not surprising that the term is now used in rugby league. Furthermore the dividing line between clothing for use in playing sports and casual or leisurewear is not a clear cut one (see *H Young (Operations) Ltd & Medici Ltd* [2003] EWHC (Ch)). Rugby shirts may be worn as casual clothing and there is in principle no reason why casual clothing should not be provided in club colours or bearing club names or insignia (and hence be considered ‘stash’). I, therefore, regard the objection as being applicable to the proposed restricted range of goods in Class 25.

37. The position in relation to Class 28 is more difficult. The term sporting articles would, for instance, include rugby balls to which the term stash could apply. I am not persuaded that the evidence is sufficient to uphold an objection against the other items in Class 28. The application will, therefore, be allowed to proceed if, within 28 days of the expiry of the appeal period, the applicants file a Form TM21 restricting their specification to:

“Games and playthings; gymnastic articles not included in other classes; decorations for Christmas trees.”

38. If they do not do so the application will be refused in its entirety. If an appeal is filed, the period for filing the Form TM21 will be 28 days from the final determination of the case.

39. The opponents have been largely successful in terms of the issues and goods at the heart of this dispute. They are entitled to an award of costs but, given that the application will be allowed to proceed for a limited specification, not a full award. I order the applicants to pay the opponents the sum of £800. 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.

Dated this 8th day of December 2003

M REYNOLDS
For the Registrar
the Comptroller-General