

O-321-04

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 81151 BY
NEIL MORTON FOR THE REVOCATION OF
TRADE MARK NO. 2125457
IN THE NAME OF GENEVE INTERNATIONAL LIMITED**

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**IN THE MATTER OF an application under No. 81151
by Neil Morton for the revocation of trade mark No. 2125457
in the name of Geneve International Limited**

BACKGROUND

1. The Trade Mark registration No. 2125457 is in respect of the mark SWEET FEET and is registered in Class 3 for a specification of:

“Foot and shoe deodorant”.

2. The Mark was registered on 19 September 1997 with registration effective from 28 February 1997. The registration stands in the name of Geneve International Limited.

3. By an application dated 29 January 2003 Neil Morton applied for the registration of the trade mark to be revoked on the following grounds:

- (i) Under Section 46(1)(a) of the Act in 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 for which it is registered, and there are no proper reasons for non-use; or
- (ii) Under Section 46(1)(b) of the Act because such use has been suspended for an interrupted period of five years, and there is no proper reasons for non-use.

4. The registered proprietor filed a counterstatement denying the grounds of revocation. Both sides have filed evidence in these proceedings and ask for an award of costs in their favour.

5. The matter came to be heard on 22 September 2004 when the applicant for revocation was represented by Mr Edenborough of Counsel instructed by Barlin Associates and the registered proprietor was represented by Mr Pritchard of Counsel instructed by Lambert Taylor & Gregory.

REGISTERED PROPRIETOR’S EVIDENCE UNDER RULE 31(2)

6. This consists of an affidavit by Michelle Arnott dated 20 May 2003. Ms Arnott is the Managing Director of and majority shareholder in Geneve International Limited (the registered proprietor).

7. Ms Arnott states that the mark in suit has been put to genuine use in the UK during the relevant period and in support, she refers to the following Exhibits to her Affidavit –

- (i) “MA1” – A copy of her company’s mail order catalogue “dated Summer 1997” which she states is a catalogue circulated by the company in the Summer and Autumn of 1997. This contains an entry under “Sweet Feet”

in relation to a “Life Long Foot Deodorant” and a “Shoe Deodoriser Spray” priced £4.95 and £2.95 respectively.

- (ii) “MA2” – Ten copies of “order forms” for the “Sweet Feet” products, naming individuals within the UK to whom the products are to be sent, with order and delivery dates in August, September and October 1997.
- (iii) “MA3” – Copies of three letters from Elliot Irving Limited, dated 14 March 2002, 19 March 2002 and 30 April 2002 which refer to: a discussion about “distribution of your ‘Sweet Feet’ long-life foot deodorant in our markets” with a request for two cartons of samples for test marketing ; confirmation of receipt of the samples “which will initially be test marketed in the UK, USA and Ghana over the next 6 weeks”; and “Initial test marketing reports which have now come in with encouraging results in every instance, particularly in the UK” with a statement that Elliot Irving Ltd wish to place a “trial order” and “discuss pricing etc.”
- (iv) “MA4” – Copies of two faxes from Link Brand Solutions, dated 9 September 2002 and 14 October 2002, acknowledging receipt of five samples of “Sweet Feet”, requesting costings based on 10,000 and 20,000 units and stating that “samples are with our customer for evaluation”.

8. Ms Arnott concludes that the above documentation confirms that the SWEETFEET trade mark has been put to genuine use in the UK within the five years following the date of completion of the registration procedure and also confirms that the use of the trade mark has also not been suspended for an uninterrupted period of five years.

APPLICANT’S EVIDENCE UNDER RULE 31(4)

9. This consists of a witness statement by Rose-Marie Embleton-Smith dated 27 October 2003.

10. Ms Embleton-Smith is an Investigator employed by Tangerine Green Limited, a firm of Investigators employed by Barlin Associates, the applicant’s professional advisors in these proceedings. On 12 September 2002 Tangerine Green were asked to investigate the trading activities of Geneve International Limited to ascertain whether the trade mark SWEET FEET had been in use, and if so, the relevant dates of use.

11. Ms Embleton-Smith undertook the investigation and she states that her enquiries produced no evidence that Geneve International Limited traded in products using the name SWEET FEET at any time during the period covered by her investigations.

REGISTERED PROPRIETOR’S RULE 31(6) EVIDENCE

12. This consists of a witness statement by Michelle Arnott dated 26 January 2004.

13. Ms Arnott states that the applicant has filed no documentary evidence of Ms Embleton-Smith’s investigations and the outcome thereof.

14. Ms Arnott states that Ms Embleton-Smith and one of her colleagues contacted the registered proprietor on a number of occasions in the latter part of 2002 when it was represented that they had a client who was interested in marketing the 'Sweet Feet' product. In support, Ms Arnott refers to exhibit "MA1" to her statement which is a copy of a letter from the registered proprietor, dated 16 September 2002, to Ms Embleton-Smith's colleague, Annabel Shaw. This letter refers to 'Sweet Feet' foot odour inhibition products, encloses a product information leaflet with samples and states "We can supply this product at a very competitive price of £1.37 per pot/box, and our minimum purchase quantity is only 2,500 units." Also enclosed with this letter is "a sample of "Sweet Feet" spray which is used to complement the cream by deodorising the footwear".

15. Ms Arnott goes on to say that subsequently, Ms Emblweton-Smith contacted the registered proprietor to purchase the 'Sweet Feet' brand name and was advised that the registered proprietor was not interested in selling. Ms Arnott adds that the application for revocation followed.

16. Ms Arnott refers to Exhibit "MA2" to her statement which comprises a copy of a letter to the registered proprietor from 'Chemist & Druggist' dated 11 December 2003. This letter confirms that the product SWEET FEET "has been published in the Chemist & Druggist Price List since February 1997 to present day". A price list is attached which refers to SWEET FEET foot deodorising cream and shoe deodorising spray.

APPLICANT'S RULE 31(7) EVIDENCE

17. The applicant's Rule 31(7) evidence comprises a second witness statement by Rose-Marie Embleton-Smith. It is dated 8 April 2004.

18. In response to Ms Arnott's comments in relation to Annabelle Shaw, Ms Embleton-Smith states that this is a pseudonym she employed when conducting the investigation into the activities of the registered proprietor. She adds that the use of such pseudonyms is established practice in this sort of work.

19. Ms Embleton-Smith states that she has made enquiries into the "Chemist & Druggist" publication and the price list. She spoke to the secretary to the editor who explained that the "Price List" was compiled by a department which is entirely distinct from the one that handles the magazine itself. Ms Embleton-Smith was referred to Colin Simpson, the person in charge of the "Price List" who told her that the inclusion of an entry is free of charge and once included, particulars of the product remain in the publication until the publishers receive notification of any changes to the product details, for example that the product is no longer supplied. Ms Embleton-Smith concludes that, by implication therefore, a product may remain listed even if it is no longer available.

DECISION

20. Section 46 of the Act reads as follows:

“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 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) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered;
- (d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

(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) An application for revocation may be made by any person, and may be made either to the registrar or to the court, except that –

- (a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and
- (b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(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.”

21. In addition Section 100 of the Act is relevant. It reads:

“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.”

22. Prior to the hearing Mr Edenborough on behalf of the applicant, informed the tribunal that the application for revocation was only being pursued in relation to Section 46(1)(b) of the Act and that the alternative pleaded case under Section 46(1)(a) was dropped. He confirmed that the relevant five year period was the one running from 29 January 1998 to 28 January 2003 – the date of filing the application for invalidation being 29 January 2003. Mr Edenborough also confirmed that there is no application pursuant to Section 46(6)(b) to seek an earlier effective revocation date.

23. As no proper reasons for non-use have been advanced and the use of a variant pursuant to Section 46(2) of the Act is not relevant to this case, the issue before me is whether there has been genuine use of the mark in relation to the goods for which it is registered during the relevant period. There was no dispute that the evidence of the registered proprietor relates to “Foot and shoe deodorant”.

24. In their skeleton arguments and at the hearing both parties drew my attention to the considerations of the ECJ in relation to the meaning of “genuine use” in Case C-40/01 *Ansul BV v Ajax Brandbeveiling BV [2003] RPC 717*, in particular paragraphs 35 to 39 and paragraph 43 of that discussion, which reads as follows:

“35 Next, as Ansul argued, the eighth recital in the preamble to the Directive states that trade marks “must actually be used or, if not used, be subject to revocation”. “Genuine use” therefore means actual use of the mark. That approach is confirmed, *inter alia*, by the Dutch version of the Directive, which uses in the eighth recital the words “werkelijk wordt gebruikt”, and by other language versions such as the Spanish (“uso efectivo”), Italian (“uso effettivo”) and English (“genuine use”).

36 “Genuine use” must therefore be understood to denote use that is not merely token, serving solely to preserve the rights conferred by the mark. Such use must be consistent with the essential function of the mark, which is to guarantee the identity of the origin of goods or services to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin.

37 It follows that “genuine use” of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability *vis-à-vis* third parties cannot continue to operate if the mark loses its commercial *raison d’être*, which is to create or preserve an outlet for goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already marketed or about to be marketed and for which preparations by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Art.10(3) of the Directive, by a third party with authority to use the mark.

38 Finally, when assessing whether there has been genuine use of the trade mark, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark.

39 Assessing the circumstances of the case may thus include giving consideration, *inter alia*, to the nature of the goods or service at issue, the characteristics of the market concerned and the scale and frequency of use of the mark. Use of the mark need not, therefore, always be quantitatively significant for it to be deemed genuine, as that depends on the characteristics of the goods or service concerned on the corresponding market.

.....

43 In light of the foregoing considerations the reply to the first question must be that Art.12(1) of the directive must be interpreted as meaning that there is “genuine use” of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, particularly whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark. The fact that a mark is not used for goods newly available on the market but for goods that were sold in the past does not mean that its use is not genuine, if the proprietor makes actual use of the same mark for component parts that are integral to the make-up or structure of such goods, or for goods or services directly connected with the goods previously sold and intended to meet the needs of customers of those goods.”

25. I turn now to a consideration of the registered proprietor’s evidence filed to support its claim to genuine use of the mark in suit. This consists of the following exhibits to Ms Arnott’s witness statements:

- (i) Exhibit “MA1” - the mail order catalogue dated Summer 1997;
- (ii) Exhibit “MA2” - the ten order forms with order and delivery dates in August, September and October 1997;
- (iii) Exhibit “MA3” – the letters from Elliot Irving Limited dated 14 March 2002, 19 March 2002 and 30 April 2002;
- (iv) Exhibit “MA4” – the two faxes from Link Brand Solutions dated 9 September and 14 October 2002;
- (v) Exhibit “MA1” attached to the Rule 31(6) evidence - the registered proprietor’s letter of 16 September 2002;
- (vi) Exhibit “MA2” attached to the Rule 31(6) evidence – the letter from ‘Chemist & Druggist’ to the registered proprietor dated 11 December 2003 and the price list;

26. I will consider these exhibits in turn, and then go on to an appreciation of their global or overall impact in relation to “genuine use”.

27. Exhibits “MA1” and “MA2” ((i) and (ii) above) relate to dates prior to the relevant Section 46(1)(b) allegation and are accordingly not relevant to these proceedings.

28. Exhibit “MA3”, the letters from Elliot Irving Limited, show that this company held a meeting with the registered proprietor in March 2002 at which, amongst other matters, the distribution of SWEET FEET foot deodorant was discussed and two cartons of samples were requested for test marketing. Confirmation of receipt of the samples was provided and the registered proprietor was informed that they would initially be tested in the UK , USA and Ghana. In April 2002, Elliot Irving Limited wrote to the registered proprietor reporting that the test marketing results were encouraging, particularly in the UK, and that they would like to place a trial order and discussed pricing etc.

29. As pointed out by Mr Edenborough on behalf of the applicant, there is no indication of how many samples were tested in the UK, no evidence that a trial order was ever placed and no evidence of any sales as a result. Mr Edenborough characterised this activity as “passive”, rather than active, in that the registered proprietor did not take any real initiative in promoting the product, but rather responded to the enquiries of another party.

30. On behalf of the registered proprietor, Mr Pritchard submitted that the evidence demonstrated the supply and promotion of SWEET FEET products. He adds that serious commercial interaction took place between two business entities in relation to the sale of the SWEET FEET product and that this activity was not mere tokenism or undertaken with any ulterior or underhand motive with regard to the preservation of the registration. Mr Pritchard went on to submit that the “encouraging” UK test results indicated meaningful market testing within the UK and he drew attention to the decision on the *Imaginarium Trade Mark* [2004] RPC 30 in which it was held that affixing a trade mark in the UK to goods for export, could amount to “genuine use”, although there is no evidence in this case as to where the SWEET FEET trade mark was attached on the sample goods for the USA and Ghana.

31. I now go to exhibit “MA4”, the two faxes from Link Brand Solutions , which show that this company acknowledged receipt of five samples of SWEET FEET from the registered proprietor, requested costings based on 10 & 20,000 units and confirmed that the samples were with customers for evaluation.

32. Counsels’ general comments in relation to the above were similar to those made in respect of exhibit MA3. In particular, Mr Edenborough drew attention to the small number of samples provided, and that there is no evidence of subsequent sales. Once again Mr Pritchard submitted that the evidence demonstrated genuine commercial interaction between two business enterprises designed to find a market for goods under the mark in suit.

33. Next, Exhibit “MA1” to the Rule 31(6) evidence, the registered proprietor’s letter to Annabelle Shaw, the pseudonym of the investigator employed by the applicant’s agents. This shows that in response to an enquiry, the registered proprietor enclosed samples of the SWEET FEET product and details of the price, minimum order levels and other sales conditions. Once again Mr Edenborough characterised the registered proprietor’s actions as mere passive responding, whilst Mr Pritchard viewed it as positive commercial action going to a genuine attempt to make sales under the mark.

34. Finally, Exhibit “MA2” to the Rule 31(6) evidence, the letter from Chemist & Druggist confirming that the SWEET FEET products have been published in the Chemist & Druggist Price List since 1997, and the registered proprietor’s supporting documentation going to this point. Again, Mr Edenborough made the point that this does not demonstrate that any sales were made and he points out that as it required positive action to remove a product from the price list, its presence on the list could remain notwithstanding the existence or availability of the product.

35. In summary, Mr Edenborough concluded that there is no evidence of sales under the mark, no evidence of a marketing campaign and that the registered proprietor’s activities have had no impact in the market place given that the relevant customer for the goods was the general public. In his view, the registered proprietor has “sat upon” the mark, merely responding to enquiries and has not looked to “create or preserve an outlet for the goods”.

36. Mr Pritchard takes the view that commercial activity in relation to a trade mark, which is not purely undertaken with regard to the preservation of the registration, amounts to genuine use. In support he drew my attention to ECJ Case C-259/02, *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ETMR 47, in paragraph 21, which states:-

“Moreover, it is clear from paragraph 39 of *Ansul* that use of the mark may in some cases be sufficient to establish genuine use within the meaning of the directive, even if that use is not quantitatively significant. Even minimal use can therefore be sufficient to qualify as genuine, on condition that it is deemed to be justified, in the economic sector concerned, for the purpose of preserving or creating market share for the goods or services protected by the mark.”

37. This makes it clear that “genuine use” need not of itself be “quantitatively significant”.

38. In light of the evidence and the submissions I have no hesitation in concluding that there is nothing fake or sham about the registered proprietor’s activities in relation to the mark. I have no reason to believe or infer that the activities were undertaken with any ulterior motive

going to the mere preservation of the registration. Indeed, it seems to me reasonable to infer that the applicant's conduct whether passive or not, shows that it had not "given up" on SWEET FEET products. However, this cannot of itself lead to conclusion that "genuine use" has taken place during the relevant period.

39. In the economic sector concerned ie. foot and shoe deodorants, the relevant customer is the public at large. I have no evidence before me about the size of the market for the goods at issue, but they are relatively ordinary consumer items and I presume the market is not insubstantial. This is not the case where any particular or special considerations need apply in respect of the economic sector concerned.

40. The evidence does not show that during the relevant period any actual sales took place or that the registered proprietor conducted an active marketing campaign in respect of the mark. However, it seems to me that the absence of such evidence is not, of itself, fatal to the registered proprietor's case. The *Ansul* decision (at paragraph 37) makes it clear that the commercial *raison d'être* for a mark is to create or preserve an outlet for the goods that bear the sign and that use must relate to goods already marketed or about to be marketed and for which preparations by the undertaking to secure customers are underway, particularly in the form of advertising campaigns. However, *Ansul* (at paragraph 38) also makes it clear that regard must be had to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark is real, in particular whether such use is viewed and warranted to maintain or create a share in the market for the goods protected by the mark.

41. In the case before me it seems that the registered proprietor's use of its mark is real in the sense of not being sham or token and is also external use and not just internal use by the undertaking concerned. The key question is whether the use is warranted to maintain or create a share in the market for the goods protected by the mark. As there have been no sales under the mark during the relevant period, the registered proprietor's use does not go to maintaining a share in the market. However, is the use warranted to create a share in the market for the goods?

42. I have some sympathy with Mr Edenborough's comments that the registered proprietor's use is passive rather than active. However, the advertisement in the 'Chemist & Druggist' indicates that the registered proprietor is seeking business in respect of the mark in suit (notwithstanding the fact that it needs positive action to remove the advertisement), when considered in conjunction with the fact that the registered proprietor has sought to exploit sales under the mark when contacted by third parties i.e. Elliot Irving Limited, Link Brand Solutions and Annabelle Shaw.

43. The correspondence with Elliot Irving Ltd, Link Brand Solutions and Annabelle Shaw shows that samples of the SWEET FEET product were provided with the intention of making sales in the UK. However, the number of samples provided seem relatively insignificant given the potential size of the market for the goods in question – two cartons to Elliot Irving Limited for the UK, USA and Ghana, five samples to Link Brand Solutions and an undisclosed but I presume relatively small number to Annabelle Shaw. This cannot have had any real impact in the market for the goods. Furthermore, the advertisement in "Chemist & Druggist" has run since 1997 and on the evidence before me, it does not appear to have created a market for products under the SWEET FEET mark.

44. There is clearly no de-minimus level in relation to activities which may comprise “genuine use” and as stated earlier, it seems to me that the registered proprietor has clearly not given up on its SWEET FEET trade mark. However, I am not convinced that the registered proprietor’s activities, within the relevant five year period, suffice to create a market share in the relevant goods given the characteristic of the market (which is for a relatively ordinary consumer product) and the scale and frequency of the registered proprietor’s use.

45. Taking into account the circumstances of this particular case I find the registered proprietor’s use of the mark within the relevant period does not amount to “genuine use” within the meaning of Section 46(1)(b) of the Act.

46. The application for revocation under Section 46(1)(b) succeeds. In accordance with Section 46(6)(a) the rights of the proprietor shall be deemed to have ceased as from the date of application for revocation.

COSTS

47. As the application for revocation has been successful the applicant is entitled to a contribution towards costs. I therefore order the registered proprietor to pay the applicant the sum of £1,900. This sum is to be paid within seven days of the expiry of the period allowed for appeal or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 26th day of October 2004

JOHN MACGILLIVRAY
For the Registrar
The Comptroller-General