

O-081-11

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 83656
BY ACCOR (SOCIÉTÉ ANONYME) FOR REVOCATION
OF REGISTRATION NO. 2350272 STANDING IN THE NAME OF
AVIEMORE FUNDING LIMITED**

BACKGROUND

1. Registration No. 2350272, for the trade mark shown, below now stands registered in the name of Avimore Funding Limited (“Avimore”). The trade mark was applied for on 28 November 2003 and the registration procedure was completed on 23 April 2004.



2. The trade mark was originally registered in the name of HFC Bank Limited for a range of goods and services in classes 9, 16, 35, 36, 38, 39 and 42.

2. On 7 January 2010, Accor (Société Anonyme) (“Accor”) applied for revocation of the registration. In their application to revoke Accor said:

“Enquiries have been made by [Accor] which suggest that [the registration] has not been put to genuine use in relation to any goods and services for which it is registered at any time since it was registered. There appear to be no proper reasons for non use.”

3. Accor ask for the registration to be revoked with effect from 24 April 2009 (under section 46(1)(a) of the Act) and 7 January 2010 (under section 46(1)(b) of the Act).

4. On 26 April 2010, Avimore filed a Form TM8, counterstatement and evidence. In their counterstatement they say:

“The trade mark the subject of [the registration] has been put to genuine use by the proprietor and its predecessor in title in the United Kingdom in respect of [goods and services in classes 9, 16 and 36] during the five year period from 7 January 2005 to 6 January 2010...”

5. On 18 August 2010, Avimore filed a form TM23 to partially surrender the registration. The surviving specifications following surrender are as follows:

Class 9: Credit Cards: encoded plastic cards, magnetic plastic cards and plastic cards incorporating machine-readable codes for use as credit cards.

Class 16: Plastic cards (other than magnetic or encoded plastic cards or those incorporating machine-readable codes) for use as credit cards; printed matter and publications, stationery, brochures, instructional and teaching materials; all relating to or for use with credit cards.

Class 36: Credit card services; insurance, the provision of loans including personal loans and installment loans, banking services for deposit taking and transfer of funds from accounts, electronic funds transfer, monetary exchange services, factoring and guarantee services, including the provision of the aforementioned services via the Internet; all the aforementioned services being provided in connection with a credit card scheme.

6. Only Avimore filed evidence. While neither party asked to be heard, both filed written submissions; I will refer to these submissions as necessary below.

EVIDENCE

Avimore's evidence accompanying the Form TM8

7. This consists of a witness statement, dated 26 April 2010, from Craig Young. Mr Young explains that he is employed as Customer Relationship Manager for the marbles credit card business operated by SAV Credit Limited's wholly owned subsidiary Avimore; he has held this position since August 2008. Mr Young states that the information in his statement comes from either his personal knowledge or from the books and records of Avimore.

8. Mr Young explains that he believes that the marbles credit card brand was created by HFC Bank Limited (HSBC) in 2002. He adds that the scheme consisted of two different cards with differing terms and conditions. He states that one of these schemes was and is known as the marbles Platinum card and it is this scheme that utilised the trade mark in suit. Exhibit CY1 consists, inter alia, of a copy of the artwork that Mr Young says was used in the manufacture of the marbles Platinum credit card, a copy of which is shown below:



9. Mr Young believes that the marbles credit card was available to the general public upon application, and that the marbles Platinum card was offered selectively to customers based on the management of their accounts. By 2007 HSBC had, he says, issued 20,000 marbles Platinum credit cards bearing the trade mark in suit.

10. Mr Young explains that in October 2007 Aviemore purchased the marbles credit card business and associated brands from HSBC. Since that time Aviemore have operated the marbles credit card business, with the trade mark in suit appearing on all marbles Platinum credit and replacement cards issued.

11. Mr Young goes on to say that in 2008 following the acquisition of the marbles business from HSBC, HSBC sent mail shots to Platinum card holders to advise them of the changes which were ongoing. Exhibit CY2 consists of a letter and flyer sent to a named individual resident in Croydon. The letter, which is dated 26 November 2008, bears the word Beneficial at the top of the page; Beneficial is a trading name of HFC Bank Limited, which in turn is a member of HSBC group. The letter contains, inter alia, the following text:

“Your Beneficial Platinum MasterCard is becoming a **marbles Platinum MasterCard**

As you may remember, we wrote to you in December 2007 to advise that your Beneficial account had been purchased by Aviemore Funding Limited. Following this change, Beneficial customers will soon become marbles MasterCard customers. Your Beneficial Platinum card will be replaced by a marbles Platinum MasterCard in February 2009.

marbles is a huge name in UK credit cards. Around a quarter of a million people already carry a marbles card, so you will be in very good company.

Between now and next February, marbles will be in touch with your new card and your new PIN number. Don't forget to look out for letters from marbles to make sure your transition is as smooth as possible.

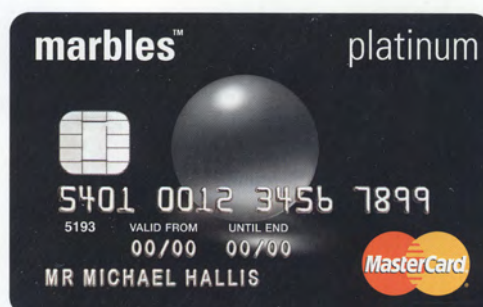
There is a leaflet with this letter that has more information about marbles and MasterCard. Find out more about how to use your marbles at www.marbles.com.”

12. The front page of the leaflet mentioned above bears the following text:

“**marbles™**

It's all change from **22 February 2009**”

The inside of the leaflet contains the following image of the marbles platinum credit card:



The leaflet also provides information under a number of headings. These read as follows:

“It’ll be easy to get cash

If you need cash, wherever you happen to be, you’ll be able to use your marbles. We charge a straightforward 3% handling fee (minimum £3) for cash advances in the UK and a 2.95% foreign currency transaction fee. We’ll send you all the details in February. The most you can withdraw in a single day is £500.”

“It’ll be easy to transfer balances

Lots of cards? Too many payments to remember? Moving a balance from a store or credit card on to your marbles card will be simple. For a handling fee of 3% (minimum £5) for each transfer, you’ll be able to feel more in control of your finances. Remember, though, that the total balances to be transferred, including the fee, must not exceed your marbles card limit.”

“It’ll be easy to manage your account online

Your marbles card will come free online account management. So you’ll be able to see your balance at the click of a mouse, make payments, look at past statements and more. We’ll tell you all about it when your card arrives.”

“It’ll be easy to get hold of us

marbles has a 24/7 Customer Services Helpline, so you’ll be able to call us any time. We’ll let you know the number when we send your new card.”

“Look out for your card in February

“We’ll pop your new marbles card in the post early next year. We’ve got lots of services and features to tell you about, too, so watch for post from marbles. The new card will be ready for you to activate from **22 February 2009**. Your current card will still work as normal until then.”

I note that the rear of the leaflet contains, inter alia, the following text:

“marbles is trademark of Aviemore Funding Limited.”

14. Mr Young explains that since Aviemore acquired the business from HSBC, the marbles credit card scheme has been operated as a closed scheme i.e. no new customers have been sought or acquired. Aviemore have, he explains, continued to operate the business for existing customers who already had accounts when they acquired the business in 2007. It is for this reason that there has been no marketing or advertising of the marbles credit cards and no offers of marbles Platinum cards to existing holders of regular marbles credit cards. He adds that despite this, the marbles credit card business had a turnover of approximately £90m in the

year ending April 2008 and £65m in the year ending 2009. Exhibit CY3 consists of a copy of the Annual Report submitted to the Registrar of Companies on behalf of Aviemore for the period ending 31 December 2008, of which Mr Young says:

“The figure for turnover in 2008 can be seen at page 8 of this document. In both years, around 15% by volume of the total turnover of the Marbles credit card scheme (in the order of ten to thirteen million pounds) can be attributed to Marbles Platinum cards bearing the trade mark.”

15. That concludes my summary of the evidence filed to the extent that I consider it necessary.

DECISION

The Law

16. Section 46 of the Trade Marks Act 1994 (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 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 purpose 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.”

17. Section 100 of the Act is also relevant and reads:

“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.”

The relevant five year periods

18. The application for revocation is based upon sections 46(1)(a) and (b) of the Act; the registration procedure for the trade mark in suit was completed on 23 April 2004. The relevant periods are therefore, under 46(1)(a): 24 April 2004 to 23 April 2009 (with revocation to take effect from 24 April 2009), and under 46(1)(b): 7 January 2005 to 6 January 2010 (with revocation to take effect from 7 January 2010).

The authorities on genuine use

19. The leading authorities on the principles to be applied in determining whether there has been genuine use of a mark are: *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 and *Laboratoire de la Mer Trade Mark* [2006] F.S.R. 5. From these cases I derive the following main points:

- genuine use entails use that is not merely token. It must also be consistent with the essential function of a trade mark, that is to say to guarantee the identity of the origin of goods or services to consumers or end users (*Ansul*, paragraph 36);
- the use must be ‘on the market’ and not just internal to the undertaking concerned (*Ansul*, paragraph 37);

- it must be with a view to creating or preserving an outlet for the goods or services (*Ansul*, paragraph 37);
- the use must relate to goods or services already marketed or about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns (*Ansul*, paragraph 37);
- all the facts and circumstances relevant to determining whether the commercial exploitation of the mark is real must be taken into account (*Ansul*, paragraph 38);
- the assessment must have regard to the nature of the goods or services, the characteristics of the market concerned and the scale and frequency of use (*Ansul*, paragraph 39);
- but the use need not be quantitatively significant for it to be deemed genuine (*Ansul*, paragraph 39);
- an act of importation could constitute putting goods on the market (*Laboratoire de la Mer*, paragraph 25 referring to the earlier reasoned order of the ECJ);
- there is no requirement that the mark must have come to the attention of the end user or consumer (*Laboratoire de la Mer*, paragraphs 32 and 48);
- what matters are the objective circumstances of each case and not just what the proprietor planned to do (*Laboratoire de la Mer*, paragraph 34);
- the need to show that the use is sufficient to create or preserve a market share should not be construed as imposing a requirement that a significant market share has to be achieved (*Laboratoire de la Mer*, paragraph 44).

20. I must also keep in mind the guidance in *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 in relation to determining what constitutes a fair specification, namely:

“29 I have no doubt that Pumfrey J. was correct to reject the approach advocated in the Premier Brands case. His reasoning in paras [22] and [24] of his judgment is correct. Because of s.10(2), fairness to the proprietor does not require a wide specification of goods or services nor the incentive to apply for a general description of goods and services. As Mr Bloch pointed out, to continue to allow a wide specification can impinge unfairly upon the rights of the public. Take, for instance, a registration for "motor vehicles" only used by the proprietor for motor cars. The registration would provide a right against a user of the trade mark for motor bikes under s.10(1). That might be understandable having regard to the similarity of goods. However, the vice of allowing such a wide specification becomes apparent when it is envisaged that the proprietor seeks to enforce his trade mark against use in relation to pedal cycles. His chances of success under s.10(2) would be considerably increased if the specification of goods included both motor cars and motor bicycles. That would be unfair when the only use

was in relation to motor cars. In my view the court is required in the words of Jacob J. to "dig deeper". But the crucial question is--how deep?

30 Pumfrey J. was, I believe, correct that the starting point must be for the court to find as a fact what use has been made of the trade mark. The next task is to decide how the goods or services should be described. For example, if the trade mark has only been used in relation to a specific variety of apples, say Cox's Orange Pippins, should the registration be for fruit, apples, eating apples, or Cox's Orange Pippins?

31 Pumfrey J. in *Decon* suggested that the court's task was to arrive at a fair specification of goods having regard to the use made. I agree, but the court still has the difficult task of deciding what is fair. In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under s.10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use."

21. The comments of Mr Justice Jacob (as he then was) in *Animal Trade Mark* [2004] FSR 19 are also relevant and read:

"20 The reason for bringing the public perception in this way is because it is the public which uses and relies upon trade marks. I do not think there is anything technical about this: the consumer is not expected to think in a pernicky way because the average consumer does not do so. In coming to a fair description the notional average consumer must, I think, be taken to know the purpose of the description. Otherwise they might choose something too narrow or too wide. Thus, for instance, if there has only been use for threeholed razor blades imported from Venezuela (Mr T.A. Blanco White's brilliant and memorable example of a narrow specification) "three-holed razor blades imported from Venezuela" is an accurate description of the goods. But it is not one which an average consumer would pick for trade mark purposes. He would surely say "razor blades" or just "razors". Thus the "fair description" is one which would be given in the context of trade mark protection. So one must assume that the average consumer is told that the mark will get absolute protection ("the umbra") for use of the identical mark for any goods coming within his description and protection depending on confusability for a similar mark or the same mark on similar goods ("the penumbra"). A lot depends on the nature of the goods--are they specialist or of a more general, everyday nature? Has there been use for just one specific item or for a range of goods? Are the goods on the High Street? And so on. The whole exercise consists in the end of forming a value judgment as to the appropriate specification having regard to the use which has been made."

22. Finally, the comments of the Court of First Instance in *Reckitt Benckiser (España), SL v OHIM*, Case T- 126/03 are also relevant where it held that:

“45 It follows from the provisions cited above that, if a trade mark has been registered for a category of goods or services which is sufficiently broad for it to be possible to identify within it a number of sub-categories capable of being viewed independently, proof that the mark has been put to genuine use in relation to a part of those goods or services affords protection, in opposition proceedings, only for the sub-category or subcategories to which the goods or services for which the trade mark has actually been used belong. However, if a trade mark has been registered for goods or services defined so precisely and narrowly that it is not possible to make any significant sub-divisions within the category concerned, then the proof of genuine use of the mark for the goods or services necessarily covers the entire category for the purposes of the opposition.

46 Although the principle of partial use operates to ensure that trade marks which have not been used for a given category of goods are not rendered unavailable, it must not, however, result in the proprietor of the earlier trade mark being stripped of all protection for goods which, although not strictly identical to those in respect of which he has succeeded in proving genuine use, are not in essence different from them and belong to a single group which cannot be divided other than in an arbitrary manner. The Court observes in that regard that in practice it is impossible for the proprietor of a trade mark to prove that the mark has been used for all conceivable variations of the goods concerned by the registration. Consequently, the concept of ‘part of the goods or services’ cannot be taken to mean all the commercial variations of similar goods or services but merely goods or services which are sufficiently distinct to constitute coherent categories or sub-categories.”

The written submissions

Accor’s submissions

23. The main points arising from Accor’s written submissions are as follows:

- That genuine use of a trade mark cannot be proved by means of probabilities and suppositions; it must be demonstrated by solid and objective evidence of effective and sufficient use in the market concerned;
- That insofar as Mr Young’s statement refers to use of the trade mark in suit prior to Aviemore’s purchase of the marbles credit card business, no evidence has been provided to support his beliefs. For example, copies of the credit card terms and conditions have not been supplied, nor has any dated advertising or promotional material showing use of the trade mark. Exhibit CY1 is an image of an undated credit card which also bears no card number or customer name and is not sufficient to prove that cards of that type were, in fact, manufactured and issued to the public. The image could be a sample which was never put into production;

- No evidence has been provided to support the claim that by 2007 20,000 marbles Platinum cards had been issued;
- There is no evidence to support the claim that since 2007 the trade mark in suit has appeared on all replacement cards issued by Avimore. If that were the case, Avimore would have been able to provide proof in the form of dated literature, stationery, copy statements and so on bearing the trade mark in suit;
- There is no conclusive evidence that the flyer provided as exhibit CY2 was ever sent to cardholders, and even if it was sent, there is no evidence of to whom it was sent or the extent of the distribution;
- That the text (in exhibit CY2) suggests that the marbles Platinum credit card is a brand new product, replacing the Beneficial Platinum credit card. This appears to contradict Mr Young's statement to the effect that the marble's credit card scheme was created by HFC Bank Limited in 2002 and that the trade mark in suit appeared on the marbles Platinum card;
- Notwithstanding Avimore's operation of the marbles business as a closed scheme, one would have expected Avimore to provide evidence to show continued use of the trade mark in suit over this period;
- Mr Young's claims regarding the turnover achieved under the marbles credit card business are disputed. Page 3 of exhibit CY3 states: "*The principal activity of the Company in the year was that of the management of the Marbles and Beneficial branded credit cards.*" It seems logical that the turnover figure appearing in the annual report relates to both credit card schemes, not just to the marbles scheme; no breakdown is provided in the annual report. The Annual report does not support Mr Young's comments to the effect that around 15% by volume of the total turnover can be attributed to marbles Platinum cards bearing the trade mark in suit.

24. Accor concludes their written submissions in the following terms:

"In our opinion, if genuine use of the trade mark had occurred during the relevant period, it would not have been a difficult exercise for [Avimore] to prepare convincing evidence (for example, written statements from cardholders, dated literature, terms and conditions, photographs of actual credit cards and cardholder statements/contracts with details blacked out if necessary, market share details). Instead, the evidence that has been filed is piecemeal, inconsistent and inconclusive. It is implied by [Avimore] that the Marbles Platinum credit card scheme has operated continuously since its creation in 2002 but the evidence does not support this. There is no indication that the use (if any) has been intended to create or preserve an outlet for the goods/services covered by the trade mark.

As mentioned above, [Avimore] has partially surrendered the trade mark. However, it still covers a range of class 36 services which are not even mentioned in the witness

statement and exhibits, namely “insurance, provision of loans, banking services for deposit taking and transfer of funds, electronic funds transfer, monetary exchange services, factoring and guarantee services” in class 36. No evidence whatsoever has been provided in relation to these services and it cannot simply be assumed that they would be offered by a company operating a credit card scheme.

Likewise, no evidence has been provided in relation to “printed matter and publications, stationery, brochures, instruction and teaching materials in class 16.”

Aviemoire’s written submissions

25. The main points arising from Aviemoire’s written submissions are as follows:

- Aviemoire say that as there has been genuine use of the trade mark in suit in the period specified under section 46(1)(b) of the Act, there is no need to consider the earlier period under section 46(1)(a);
- The evidence “makes it clear” that by October 2007, when Aviemoire took over the marbles credit card business from HSBC, 20,000 credit cards bearing the trade mark had been issued;
- That all replacement cards issued since October 2007 by Aviemoire bore the trade mark;
- That turnover under the trade mark amounted to some £13.4m and £9.75m in the years ending April 2008 and 2009 respectively;
- That in addition to the use made of the trade mark on credit cards, the evidence also illustrates use of the trade mark on printed matter relating to the marbles credit card scheme in late 2008 ahead of the changes which took place in February 2009;
- That the leaflet which forms part of exhibit CY2 refers to the provision of cash advances, that is personal and instalment loans, and to online account management, that is banking services for deposit taking and transfer of funds from accounts and electronic funds transfer, in the context of the credit card services offered by Aviemoire;
- It should be noted that the leaflet which forms part of exhibit CY2 refers to the United Kingdom Financial Services Authority and that the letter which also forms part of the same exhibit is addressed to an individual resident in Croydon. From this Aviemoire argue that it can be inferred that at least some of their activities took place in the United Kingdom and involved customers in this country;
- While Aviemoire accept that the evidence of use provided is not extensive, it is, they say, evidence that use by them took place in the United Kingdom during the period 7 January 2005 to 6 January 2010 and that that use was in respect of:

Class 9 - credit cards, being encoded plastic cards, magnetic plastic cards and plastic cards incorporating machine-readable codes for use as credit cards.

Class 16 - plastic cards (other than magnetic or encoded plastic cards or those incorporating machine-readable codes) for use as credit cards; printed matter and publications, and brochures, relating to or for use with credit cards.

Class 36 - credit card services; the provision of loans including personal loans and instalment loans, provided in connection with a credit card scheme; banking services for deposit taking and transfer of funds from accounts and electronic funds transfer, provided in connection with a credit card scheme, including the provision of the aforementioned services via the Internet.

26. Aviemore concludes their written submissions in the following terms:

“10. In a line of cases exemplified by WISI Trade Mark [2004] FSR 19, 383, it has been held that fair protection is to be achieved by: *“identifying and defining not the particular examples of goods [or services] for which there has been genuine use but the particular categories of goods [or services] they should realistically be taken to exemplify.”* In the present case, it is submitted that, in the relevant commercial sector, both customers and other service providers would recognise that [Aviemore has] used its mark in respect of a credit card business. Further, even though the evidence submitted does not demonstrate use on every item now remaining in the registration, those goods and services for which there has been genuine use should realistically be taken to exemplify a credit card business in broad terms and the goods and services [for which the trade mark now stands registered] might be expected to be provided by such a business.

11. Accordingly, it is submitted that the registration should be maintained in respect of all the goods and services in classes 9, 16 and 36 remaining in the registration...”

Has there been genuine use?

27. At no point have Accor suggested that the trade mark that appears in the exhibits is anything other than the trade mark in suit in the form in which it stands registered.

28. In his witness statement Mr Young explains that he has held his current position as Customer Relationship Manager for the marbles brand since August 2008, adding that the information in his statement comes from either facts known to him personally or from the books and records of Aviemore. Although he says that he “believes” that the marbles credit card brand was created by HSBC in 2002 and that he “believes” that the marbles Platinum credit card (which bore the trade mark in suit) was offered selectively to customers based on the management of their account, as Accor point out, no evidence has been provided by Mr Young to support these statements and he does not explain the basis of his beliefs in this regard.

29. However, Mr Young then goes on to say that by 2007 HSBC had issued (not that he believes that they had issued) some 20,000 marbles credit cards bearing the trade mark in suit.

While no evidence has been provided by Mr Young to support this claim, as Aviemore acquired the marbles and Beneficial credit card portfolios in October 2007, it is, I think, reasonable to infer that any due diligence conducted by them prior to their acquisition of these businesses would have revealed not only the total number of credit card customers HFC Bank Limited enjoyed at that time, but also the numbers of credit card customers holding the different type of credit cards available. This appears to me to be exactly the sort of information which would be available to Mr Young from Aviemore's records. Mr Young then goes on to say that since October 2007 the trade mark in suit has appeared on all marbles Platinum credit cards and replacement cards issued by Aviemore; while unsupported, once again, this is information likely to be readily available to Mr Young from Aviemore's records.

30. Insofar as the letter and leaflet provided as exhibit CY2 are concerned, as the letter includes a sentence which begins "There is a leaflet with this letter...", and as there is a correlation between the date of the letter (26 November 2008) and the date of the change mentioned in the leaflet (22 February 2009), these documents are, in my view, clearly intended to be read together. Mr Young says that these documents were sent by HSBC to Beneficial Platinum MasterCard holders and refer, inter alia, to the change from HSBC Beneficial cards to marbles cards and to the migration of the marbles business to MasterCard. The leaflet which accompanied the letter indicates that the change will take place from 22 February 2009.

31. Accor argue that the text of these documents suggest that the marbles Platinum credit card is a new product replacing the Beneficial Platinum credit card and this, they say, appears to contradict Mr Young's earlier statement to the effect that the marbles credit card scheme was created by HFC Bank Limited in 2002 and that the trade mark in suit appeared on the marbles Platinum credit card from that date. I agree with Accor that (at least insofar as Beneficial Platinum MasterCard holders were concerned) the marbles Platinum card would be seen as a new product which was to replace their existing Beneficial Platinum card. However, that does not mean that Aviemore (and before them HFC Bank Limited) were not also conducting a business under the marbles trade mark, a trade which in turn utilised the trade mark in suit; this would explain how, by 2007, HFC Bank Limited had issued 20,000 marbles Platinum credit cards bearing the trade mark in suit. Not only (as Accor point out) does it say on page 3 of exhibit CY3 that the principal activity of Aviemore for the year ending 31 December 2008 was the "management of the Marbles and Beneficial branded credit cards", the exhibit also contains a number of other references which supports the conclusion that two separate businesses were being conducted. For example:

"Under the terms of these agreements the loan facilities provided can only be used to acquire the Marbles **and** Beneficial card **portfolios**..."(my emphasis) - page 3;

"..to fund the purchase of the marbles **and** Beneficial credit card **portfolios** from HSBC Bank Plc" – page 15.

32. That said, I agree with Accor that the turnover mentioned in the annual report of £89,649,377 appears to relate to trade conducted under both the marbles and Beneficial brands, and thus casts some doubt on the accuracy of the turnover figure of £13m Mr Young attributes to trade under the trade mark in suit during the calendar year 2008. However, as the evidence

shows, from 22 February 2009 the Beneficial Platinum MasterCard business was transferred to marbles, and even though a copy of the annual report for 2009 has not been provided, it is, I think, reasonable for me to accept (given that Mr Young is well placed to give the information he has), that a significant percentage of the turnover of £10m he mentions can be attributed to marbles Platinum cards bearing the trade mark in suit.

33. In their written submissions Aviemore accept that their evidence is not extensive; I agree. I also agree with Accor that “the facts of the case are extremely unclear”, and that if Aviemore had made use of the trade mark in suit it should have been possible for them to file evidence which would put the matter beyond doubt; sadly, incomplete or poorly explained evidence appears to be the norm before the tribunal rather than the exception. However, the proper approach, had Accor wanted the tribunal to disbelieve Mr Young’s evidence, was either to file written submissions or factual evidence in reply to Mr Young’s evidence following its receipt, or to ask for a hearing at which Mr Young could be cross examined; all of which would have given Mr Young an opportunity to clarify matters. In the absence of any of these approaches being adopted by Accor, Mr Young’s evidence stands (other by way of written submissions in lieu of a hearing) unchallenged.

34. In summary, Mr Young’s evidence explains that by the time Aviemore acquired, inter alia, the marbles credit card business in October 2007, HFC Bank Limited had issued some 20,000 marbles Platinum cards bearing the trade mark in suit and that following the acquisition of the business by them, the trade mark in suit had appeared on all marbles Platinum cards and replacement cards issued. It is also palpably clear that at the time Aviemore acquired the marbles credit card business, they also acquired the Beneficial credit card business, and that customers of the Beneficial Platinum MasterCard were migrated to the marbles Platinum MasterCard in February 2009. Given the totality of the evidence provided, I am satisfied that during the period 7 January 2005 to 6 January 2010 either Aviemore or their predecessors in title had made genuine use of the trade mark in suit in connection with a credit card business. Having reached that conclusion, I must now determine as a matter of fact on what goods and services the trade mark has actually been used.

On what goods and services has the trade mark been used?

35. In their written submissions Aviemore accept that they have not shown use in relation to all the goods and services which remain in their registration. However, they argue that the evidence shows that the trade mark in suit has been used in respect of the goods and services shown below in bold.

Class 9: Credit Cards, being encoded plastic cards, magnetic plastic cards and plastic cards incorporating machine-readable codes for use as credit cards.

Class 16: Plastic cards (other than magnetic or encoded plastic cards or those incorporating machine-readable codes) for use as credit cards; printed matter and publications, stationery, brochures, instructional and teaching materials; all relating to or for use with credit cards.

Class 36: Credit card services; insurance, the provision of loans including personal loans and instalment loans, banking services for deposit taking and transfer of funds from accounts, electronic funds transfer, monetary exchange services, factoring and guarantee services, including the provision of the aforementioned services via the Internet; all the aforementioned services being provided in connection with a credit card scheme.

36. In their written submissions Accor said:

“However, it still covers a range of class 36 services which are not even mentioned in the witness statement and exhibits, namely “insurance, provision of loans, banking services for deposit taking and transfer of funds, electronic funds transfer, monetary exchange services, factoring and guarantee services” in class 36. No evidence whatsoever has been provided in relation to these services and it cannot simply be assumed that they would be offered by a company operating a credit card scheme.

Likewise, no evidence has been provided in relation to “printed matter and publications, stationery, brochures, instruction and teaching materials in class 16.”

37. In my view the totality of the evidence provided (drawing particularly on the information provided in the leaflet filed as part of exhibit CY2) indicates that Aviemore have made actual use of the trade mark in suit on the following goods and services:

Class 9: Credit cards, being encoded plastic cards, magnetic plastic cards and plastic cards incorporating machine-readable codes for use as credit cards.

Class 16: Plastic cards (other than magnetic or encoded plastic cards or those incorporating machine-readable codes) for use as credit cards.

Class 36: Credit card services, the provision of loans including personal loans and instalment loans, banking services for deposit taking and transfer of funds from accounts, electronic funds transfer, including the provision of the aforementioned services via the Internet; all the aforementioned services being provided in connection with a credit card scheme.

38. While I accept that the evidence shows that the trade mark in suit has appeared on a promotional leaflet, businesses of all types produce a wide range of printed matter as a vehicle to promote their goods and services and as a means of disseminating information to both existing and potential customers. That does not, in my view, mean that they are conducting a trade in either printed matter at large, or indeed in any of the sub categories of printed matter mentioned in Aviemore’s specification in class 16; it is an adjunct to their principal business and no more.

39. Having determined what I consider to be the actual use that has been made of the trade mark in suit, I must now go on and determine how the average consumer would describe that use. In their written submissions Aviemore said:

“In the present case, it is submitted that, in the relevant commercial sector, both customers and other service providers would recognise that [Aviemore] has used its mark in respect of a credit card business. Further, even though the evidence submitted does not demonstrate use on every item now remaining in the registration, those goods and services for which there has been genuine use should realistically be taken to exemplify a credit card business in broad terms and the goods and services [for which the trade mark now stands registered] might be expected to be provided by such a business.”

40. In their written submissions Aviemore drew my attention to the comments of the Appointed Person, Mr Geoffrey Hobbs QC, in *WIS* trade mark [2006] RPC 22. I note that in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10, Mr Hobbs’ view of the matter remains the same. He said:

“However, that does not appear to me to alter the basic nature of the required approach. As to that, I adhere to the view that I have expressed in a number of previous decisions. In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

41. The average consumer would consider that the trade mark in suit had been used in connection with a credit card business, and that, in my view, represents the category of goods and services to which Mr Hobbs refers. The average consumer will be familiar with a wide range of credit card businesses and the goods and services they provide. In this respect, the average consumer would, in my view, expect a company conducting a credit card business to provide not only those services on which I have found actual use of the trade mark in suit has been made, but also to provide insurance, monetary exchange and factoring and guarantee services. In short, I am satisfied that with the exception of encoded plastic cards (at large), and printed matter and publications, stationery, brochures and instructional and teaching materials for which no use has been shown, the specifications of goods and services that remain represent fair specifications given the actual use that has been made of the trade mark in suit. For the goods for which no use has been shown, they should be revoked from the date claimed under section 46(1)(a) of the Act.

Conclusion

42. The application for revocation has been partially successful. The registration is hereby revoked under the provisions of section 46(6)(b) of the Act with effect from 24 April 2009 in respect of:

“Encoded plastic cards” in class 9.

And:

“Printed matter and publications, stationery, brochures, instructional and teaching materials, all relating to or for use with credit cards” in class 16.

Costs

43. As Aviemore have been substantially successful they are entitled to a contribution towards their costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. Using that TPN as a guide, I award costs to Aviemore on the following basis:

Preparing a statement and considering the other side’s statement:	£200
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Written submissions:	£300
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Total:	£500
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44. Given my comments in paragraph 33 above, I have chosen not to award Aviemore any costs in relation to the preparation of their evidence.

45. I order Accor (Société Anonyme) to pay to Aviemore Funding Limited the sum of **£500**. 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 28 day of February 2011

C J BOWEN
For the Registrar
the Comptroller-General