

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS INVOLVING:

- 1) AN APPLICATION FOR INVALIDATION (NO. 83822) BY S.P.L. FOODS LIMITED IN RESPECT OF TRADE MARK REGISTRATION 2481572 IN THE NAME OF TVS ENTERPRISES LIMITED OF THE MARK:**



AND

- 2) AN APPLICATION FOR REVOCATION (NO 84198) BY TVS ENTERPRISES LIMITED IN RESPECT OF TRADE MARK REGISTRATION 2181891 IN THE NAME OF S.P.L. FOODS LIMITED OF THE MARK:**



THE BACKGROUND AND THE PLEADINGS

1) Trade mark registration 2581572 stands in the name of TVS Enterprises Limited (“TVS”). The application for registration was filed on 5 March 2008 and it completed its registration procedure on 12 September 2008. It is registered in class 30 in respect of rice. It is a word and device mark as follows:



An application has been made to declare the above registration invalid. There are issues surrounding the correct name of the applicant for invalidation which I will come on to shortly. The grounds for making the application are:

- i) Under section 3(6) of the Trade Marks Act 1994 (“the Act”) because there was no intention to use the mark. It is claimed that TVS registered the mark so as to avoid conflict with the applicant’s “triple lion brand and device” mark but that TVS actually use “LION BRAND & DEVICE” (which is closer to the applicant’s mark).
- ii) Under section 5(2)(b) of the Act in that there is a likelihood of confusion with the following trade marks:



- UK registration 2181891 for the mark
 - Community trade mark (“CTM”) registration 4573622 for the mark TRIPLE LION
- iii) Under section 5(3) of the Act based on the same two earlier marks.
 - iv) Under section 5(4)(a) of the Act based on the use since 2002 of a sign corresponding to earlier mark 2181891 in respect of rice products; this claim is based on the law of passing-off.

2) Trade mark registration 2181891 stands in the name of S.P.L. Foods Limited. The application for registration was filed on 11 November 1998 and it completed

its registration procedure on 22 February 2002. The mark and the goods for which it is registered are set out below:



Class 29: Meat, fish, poultry and game; meat extracts; preserved dried and cooked fruits and vegetables; jellies; edible oils and fats; pickles; snack foods; pre-prepared meals; frozen ready meals; but not including jams, preserves or marmalades.

Class 30: Rice, tapioca, sago, flour, preparations made from cereals; salt; pepper; mustard; vinegar; sauces; spices; yeast; condiments; flavourings; snack foods; pre-prepared meals and constituents for meals; bread; frozen ready meals; but not including baking powder, flour based foodstuffs or noodles or foodstuffs including noodles.

Class 31: Fresh fruits and fresh vegetables; grains and pulses.

TVS has applied for the above registration to be revoked on the grounds of non-use. It does so on the basis of section 46(1)(b) of the Act, non-use being claimed in the following periods:

- 16 July 2005 to 15 July 2010 (revocation is sought with effect from 16 July 2010);
- 6 October 2006 to 5 October 2011 (revocation is sought with effect from 6 October 2011).

3) The two sets of proceedings were defended. TVS defended its registration by focusing on what it says are the clear differences between the respective marks. It also denies the other claims under sections 3(6), 5(4)(a) and 5(3). TVS put the applicant to proof of use in respect of UK registration 2181891; this is the only earlier mark that is subject to the proof of use provisions. Accordingly, it must be shown that the mark has been genuinely used in the five year period ending on 16 July 2010 (this being the date on which the application for a declaration of invalidity was made – section 47(2A) refers).

4) Both sides filed evidence. The two sets of proceedings were consolidated. The matter then came to be heard before me on 24 May 2013 at which the applicant/registered proprietor was represented by Mr Guy Hollingworth, of counsel, instructed by Marks & Clerk Solicitors LLP; TVS was represented by Mr Simon Coles of Graham Coles & Co. At the hearing Mr Trivi Uppal (TVS' main witness) was cross-examined on his evidence.

PRELIMINARY ISSUE

5) Issues have arisen concerning the corporate structure of the applicant/registered proprietor and the name(s) it was going by. Mr Coles sought to deal with much of this at the hearing, but the level of detail (and rationale) he was to pursue struck me as something which the parties would be better placed to deal with in written submissions. Therefore, whilst I heard some of his points, I permitted Mr Coles an opportunity to provide detailed written submissions (which he duly did) and for Mr Hollingworth or Mr Salmon (whose firm had instructed Mr Hollingworth) to provide written submissions in response (which Mr Salmon did). Before getting to the issues, it is useful to outline some facts:

- i) Company number 00723839 was called S.P.L. Limited between 29 February 1984 and 15 July 2010; since 16 July 2010 it has gone by the name of Carryport Limited.
- ii) Company number 02579526 was called Carryport Limited until 26 July 2010; since 27 July 2010 it has gone by the name of S.P.L. Foods Limited.
- iii) Trade mark registration 2181891 (the mark the subject of the revocation and one of the marks relied upon by the applicant for invalidation) was filed on 11 November 1998 by S.P.L Limited, this must, therefore, have been company 0723839.
- iv) The application for invalidation was filed on 16 July 2010. The name on the form TM26(l) was given as "SPL Limited", so this entity must have been company 0723839.
- v) On 10 January 2011, Mr Butler provided a witness statement which he signed as a director of SPL Limited and stated that the evidence was on behalf of SPL Limited and that it was the user of the mark.
- vi) On face value, the matters at points iv) and v) are inconsistent with the fact that S.P.L. Limited changed its name to Carryport Limited (the day before the TM26(l) was filed). This was initially explained away by the fact that the company name had changed so close to the application for invalidity being filed and that although six months had subsequently passed when Mr Butler provided his evidence, he signed in an incorrect name as he was so used to signing with reference to the company's previous name.
- vii) In his submissions, Mr Coles highlighted the reported accounts of the companies identified at i) and ii) above from which it is apparent that

company 02579526 is the parent company of 00723839; furthermore, as of 30 June 2010 the assets of the subsidiary were hived off and transferred to the parent – the parent company would then take the activities of the subsidiary forward.

viii) On 12 November 2012 an application was made by company 0723839 to be voluntarily struck off the companies register.

ix) An assignment document dated 16 April 2013 has been provided transferring the ownership of the trade mark relied upon from the subsidiary (0723839) to the parent (02579526).

x) Upon further investigation, Mr Salmon has also provided a copy of an Asset Purchase Agreement which was made between the parent and subsidiary companies on 30 June 2010. The parent is purchasing the business and assets of the subsidiary; although none are specifically detailed, the agreement includes the subsidiary company's intellectual property rights.

6) Mr Coles has raised a number of issues concerning the above. He highlights that a request to strike requires (under section 1004 of the Companies Act 2006) the company to be neither trading nor undertaking "other activities" save when they are necessary or expedient to the affairs of the company. He considers the ongoing prosecution of these proceedings to impact upon the legality of the request to strike off with the consequence that the application for invalidation and the defence in the revocation proceedings should be struck out. Mr Coles also comments upon the assignment conducted on 16 April 2013 and given that one of the parties to this agreement was engaged in the request to strike off which, under section 1009, limits the capacity of a company to dispose of assets, then the agreement should be considered null and void on the basis of the doctrine of *ex trupi causa non ortur actio*. Mr Coles states that if the tribunal considers that the parent company became the owner of the marks on 30 June 2010 then the application for invalidation should be struck out as it was made by the subsidiary company not the parent company. Mr Coles also observes that Mr Butler's testimony concerning the affairs of the company(ies) is unreliable and his evidence should be rejected unless it is corroborated by an independent witness; the right to cross-examine Mr Butler is reserved.

7) Mr Salmon responds in his submissions that the issues concerning the legality of the striking-off are not pertinent and that if there is an issue (which he does not necessarily accept there is) then that goes to the matter of the proposed striking-off not to the action before the tribunal. He argues that the *ex trupi causa non ortur action* is not relevant. In relation to the point regarding the correct applicant for invalidation, Mr Salmon states that notwithstanding the Asset Purchase Agreement of 30 June 2010, this did not constitute a valid legal assignment as the agreement was simply that the buyer would buy and the seller would sell, and

that the agreement to buy and sell was only effected on 16 April 2013 with the deed of assignment. Thus, he argues, at the time of making the application for invalidation, it was correctly made by the subsidiary company. He says that even if this is wrong then a request to substitute the parent for the subsidiary has already been made. In relation to the reliability of Mr Butler's evidence, Mr Salmon states that Mr Butler has subsequently explained the matter and that, in any event, his substantive evidence is merely documentary in nature, providing brochures etc and simple facts about use.

Who should have made the application for invalidity (and also who should have defended the application for revocation)?

8) In my view that party should have been the parent company, company number 02579526 (which was called Carryport Limited until 26 July 2010 but since then it has been called S.P.L. Foods Limited). An Asset Purchase Agreement was made two weeks before the application for invalidation. I do not consider that this was merely an agreement to buy/sell which necessarily required something else to be undertaken before the sale was affected. The wording is perfectly capable of affecting the sale on its own. That an actual sale took place is confirmed by the accounts of the parent/subsidiary company referred to by Mr Coles. Although the agreement does not list any specific trade marks, it refers to the intellectual property rights of the subsidiary company which, as a matter of fact, would have included the earlier marks in these proceedings. The assignment document executed in April 2013, is, therefore, nothing more than confirmation of the sale, which would have taken effect on 30 June 2013.

9) The consequence of the above is that the application for invalidation (save for section 3(6) which any party can make) was made in the wrong name. Mr Coles considers that the application should be struck out due to this. The tribunal has an inherent jurisdiction to regulate the matters before it. The tribunal often substitutes one party for another, although, this is normally in circumstances where the earlier mark relied upon changes hands after the claim has been made. However, in the circumstances before the tribunal, I am of the view that the parent company should be substituted for the subsidiary. To do otherwise would be a complete waste of resources all round and would, no doubt, lead to a multiplicity of proceedings. A mistake was made. Whilst it is unhelpful that the true facts concerning the corporate restructuring were not detailed earlier, and that Mr Butler was unclear (at least initially) as to what the position was, I consider it inequitable for the claims to be struck out. An irregularity in procedure (which is what this no doubt constitutes) can be remedied on whatever terms I see fit. **I direct that the parent company S.P.L Foods Limited should be substituted as the applicant for invalidation and the defence in the revocation proceedings should also be taken as having come from it.**

10) The above finding means that Mr Coles' points regarding company law are not pertinent as the proceedings should have been (and now are) in the name of the company not subject to the request for striking off. No issues arise.

11) In terms of the reliability of Mr Butler's evidence, in terms of its substance I see no reason to reject it. As Mr Salmon states, it is mostly documentary in nature with certain facts thrown in. That Mr Butler was initially not clear about the corporate structure casts no real doubt on the veracity of the substantive evidence. Whilst Mr Coles has reserved the right to cross-examine Mr Butler, I see no need to consider this for the reasons I have given. **Mr Butler is not to be cross-examined, and, in so far as his substantive evidence is concerned, its reliability is not weakened by this matter.**

THE EVIDENCE

12) Rather than provide a standalone summary of the evidence, I will instead draw from it when it is necessary and pertinent to the grounds before the tribunal. For the record, those who have provided evidence in these consolidated proceedings are:

SPL's witness

- i) Mr Raymond Butler, a director of the subsidiary company, who provided a number of witness statements in these proceedings. Much of his evidence (in various witness statements) goes to the use that has been made of the earlier mark which is subject to the requirement to show genuine use. His evidence also deals with the issue of whether there is a likelihood of confusion and the intention to use point; much of this is by way of submission which will be borne in mind. I have dealt with the issue of the company names. I will from this point forward refer to the applicant/registered proprietor as SPL Foods Limited ("SPL"). Although the mark was used by the subsidiary company prior to the asset purchase agreement, this does not matter. Regardless of who has used it, the use can be relied upon so it is not necessary to differentiate.

TVS' witnesses

- ii) Mr Trivi Uppal, TVS' managing director, who has also provided a number of witness statements in these proceedings. Much of his evidence goes to the intention to use point, some of which was filed at my direction following a case-management conference ("CMC") in an attempt to clarify certain aspects of the evidence that had been filed. Mr Uppal's evidence also goes to whether there is a likelihood of confusion and he also comments upon the evidence of use detailed in Mr Butler's evidence. Mr Uppal was cross-examined on his evidence in so far as it relates to the intention to use point. I will detail later what the cross-

examination brought to the picture and what I thought of Mr Uppal as a witness.

- iii) Mr Simon Coles, a trade mark attorney with conduct of these proceedings on behalf of TVS, who provided a witness statement dealing with issues relating to revocation/proof of use. His evidence is given due to a previous role when he was involved in the printing field.
- iv) Mr Shishir Vachhani, a director of Swiss Pack Pvt Ltd ("Swiss Pack" - a company which produces packaging and marketing materials for TVS) whose evidence goes to the intention to use point.

REVOCAION AND PROOF OF USE

13) TVS has applied for the revocation of SPL's trade mark registration no. 2181891, a trade mark which SPL rely upon in its application to invalidate TVS' trade mark registration. Registration 2181891 is also subject to the proof of use conditions within the context of the invalidation proceedings. These two matters can be dealt with together, although, the differences in the relevant time periods must be borne in mind. The relevant periods are:

- i) Revocation proceedings under section 46(1)(b): 16 July 2005 to 15 July 2010;
- ii) Revocation proceedings under section 46(1)(b): 6 October 2006 to 5 October 2011;
- iii) Proof of use in the invalidation proceedings: 17 July 2005 to 16 July 2010.

The legislation and the case-law

14) In terms of the revocation, the relevant parts of section 46 of the Act read:

"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) 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.”

15) Largely analogous provisions within the context of invalidation proceedings can be found in section 47(2A) to (2E) of the Act:

“(2A)* But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless -

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if -

(a) within the period of five years ending with the date of the application for the declaration the earlier trade mark 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, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes -

(a) 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

(b) 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.

(2D) In relation to a Community trade mark or international trade mark (EC), any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Community.

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

16) Section 100 is also relevant to questions of use:

“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.”

17) When considering whether genuine use has been shown, I bear in mind the leading authorities on the principles to be applied, namely: the judgments of the Court of Justice of the European Union (“CJEU”) in *Ansul BV v Ajax Brandbeveiliging BV* [2003] R.P.C. 40 (“*Ansul*”) and *Laboratoire de la Mer Trade Marks* C-259/02 (“*La Mer*”). 53) In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch), Arnold J commented on the case-law of the CJEU in relation to genuine use of a trade mark:

“In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237):

"(1) Genuine use means actual use of the mark by the proprietor or a third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].




(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(3) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

(4) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no *de minimis* rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]”

The forms of use?

18) There was much discussion at the hearing regarding the form(s) of the mark that had been used. Before coming to the evidence in more detail, I set out below the mark as it is registered, together with what has actually been used (or at least put forward as having been used) and relied upon:

The registered form	Used form “A”	Used form “B”
		

19) Mr Hollingworth relied on form B as a form of use which differed only in elements not altering the distinctive character from the registered form. Form A was relied upon (but only in relation to use in respect of gram flour) as the precise form as registered, however, and as I pointed out at the hearing, there are in fact some differences (which I will come on to) and, thus, it is also necessary to consider whether this form differs only in elements not altering the

distinctive character from the registered form. Mr Coles submitted that neither form of use met what I will call the “variant mark” test, highlighting, sometimes in very precise detail, the differences that exist.

20) The Court of Appeal dealt with this issue in *Bud/Budweiser Budbrau* [2003] RPC 25. Of relevance are the statements of Lord Walker of Gestingthorpe where he stated:

“43. ...The first part of the necessary inquiry is, what are the points of difference between the mark as used and the mark as registered? Once those differences have been identified, the second part of the inquiry is, do they alter the distinctive character of the mark as registered?”

44. The distinctive character of a trade mark (what makes it in some degree striking and memorable) is not likely to be analysed by the average consumer, but is nevertheless capable of analysis. The same is true of any striking and memorable line of poetry: ‘Bare ruin’d choirs, where late the sweet birds sang’ is effective whether or not the reader is familiar with Empson’s commentary pointing out its rich associations (including early music, vault-like trees in winter, and the dissolution of the monasteries).

45. Because distinctive character is seldom analysed by the average consumer but is capable of analysis, I do not think that the issue of ‘whose eyes? - registrar or ordinary consumer?’ is a direct conflict. It is for the registrar, through the hearing officer’s specialised experience and judgement, to analyse the ‘visual, aural and conceptual’ qualities of a mark and make a ‘global appreciation’ of its likely impact on the average consumer, who: ‘Normally perceives a mark as a whole and does not proceed to analyse its various details.’ The quotations are from para [26] of the judgement of the Court of Justice in Case C-342/97 *Lloyd Schuhfabrik Meyer GmbH v Klijsen Handel BV* [1999] E.C.R. I- 3819; the passage is dealing with the likelihood of confusion (rather than use of a variant mark) but both sides accepted its relevance.”

Also of relevance are the comments of Sir Martin Nourse; he stated at paragraph 12:

“Mr Bloch accepted that, in relation to a particular mark, it is possible, as Mr Salthouse put it, for the words to speak louder than the device. However, he said that it does not necessarily follow that the entire distinctive character of the mark lies in the words alone. That too is correct. But there is yet another possibility. A mark may have recognisable elements other than the words themselves which are nevertheless not significant enough to be part of its distinctive character; or to put it the other way round, the words have dominance which reduces to insignificance the other recognisable elements....”

21) I also take note of the comments of Mr Arnold QC (sitting as the Appointed Person) in *NIRVANA Trade Mark* (O/262/06) and in *REMUS trade mark* (O/061/08). In these cases Mr Arnold undertook a thorough analysis of the relevant case law, including judgments of the CJEU and the General Court (“GC”), and he then put forward the following questions, the answers to which will assist in determining whether a variant form of use represents an acceptable variant (the text is from *NIRVANA* but it is also adopted in *REMUS*):

“33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter’s distinctive character. As can be seen from the discussion above, this second question breaks down in the subquestions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all...”

22) Both Mr Uppal and Mr Butler comment in their evidence on the differences taking, not unsurprisingly, different views on the degree of difference between the forms as used and the form as registered. Mr Butler also explains that the differences are attributable to the refinement of the mark over the years due to the more technologically advanced printing methods that became available to print labels and packaging more clearly. In response to this, a witness statement was provided by Mr Coles whose evidence is given as a result of his experiences gained from a previous role where he was responsible for printing. Whilst I have borne in mind what Mr Butler and Mr Coles have stated, this evidence is not pertinent. Whether a mark can be relied upon as an acceptable variant cannot be judged on the basis of what led to the change. Either the mark is an acceptable variant as defined by the case-law or it is not. It is not as though there is any claim to their being a proper reason for non-use based upon the mark as registered being incapable of reproduction – if there was such a claim it would be bound to fail on its facts¹.

23) In terms of form A, the differences are exceptionally minor. Indeed, upon a quick glance one does not notice any real difference. Nevertheless, there are differences including that the circular outlines in form A are thicker than in the registered mark, and that the lions that appear in form A are perhaps more lifelike and detailed, with slightly different expressions, compared to the registered mark. However, I take the view that the distinctive character of the registered mark,

¹ Proper reasons for non-use relate to events and circumstances outside the will of the proprietor – see for example, *Hauptl v Lidl, Stifung Co KG (Case C 246/05)* [2007] ETMR 61.

which resides predominantly in the combination of the words TRIPLE LION and the picture of three lions, is not altered. **Form A is an acceptable variant and its use can be taken into account in deciding whether genuine use has been made.**

24) That leads to form B. Beyond those identified in form A, there are some further differences: the inclusion of the words QUALITY PRODUCE, the absence of rings around the mark (although it is still circular), the slight change of font thickness, that the word BRAND is in a slightly different position and is represented horizontally rather than mirroring the curve of the mark's outline. Whilst noting these additional differences, my view is that such differences do not alter the distinctive character of the mark. The words QUALITY PRODUCE represent non-distinctive matter, the rings (or the absence thereof in the used form) are little more than part of the background outline, and the slight difference in font and configuration are extremely minor and have no altering impact on distinctiveness. **Form B is an acceptable variant and its use can be taken into account in deciding whether genuine use has been made.**

Proof of use

25) As stated earlier, the evidence of use comes from Mr Butler. He states that continuous use of the mark (he is talking about the registered mark generally and not particular versions of it) has been made since at least 2001 in respect of a wide range of food products including rice products, noodles, tinned fruits and vegetables, spices, beans and pulses. Exhibit RB1 contain brochures in which examples of these products are shown (including basmati rice) which carry form of use B. The brochure is not dated. The introduction refers to a milestone reached by the company in 2007 so the brochure comes from 2007 or later; this means that it could, of course, have come from after the relevant periods. Mr Butler states that the brochure details a wide selection of products available in the UK. He does not say to whom and how many of these brochures were issued.

26) Exhibit RB2 is a further brochure. Again, it is not dated. The brochure itself depicts form of use B, which is also carried on the majority of the goods depicted, including: rice, spices, pulses. In relation to gram flour, form of use A is carried. Some further goods (mint sauce and mango chutney) feature a different version again, but Mr Hollingworth confirmed at the hearing that this form of use was not relied upon. Some goods (tinned tomatoes for example) feature third party brands.

27) Exhibit RB3 contains a 9 year historical record of goods sold under the mark. The print is headed TRIPLE LION and it also features form of use B. A large range of goods have been sold between the years 2001-2010. The products are listed with reference to the designation T/L or T/LION which Mr Butler states to mean products containing the mark (although which version is not specified). He

highlights two products with large sales: gram flour (£100,000) and basmati rice (£357,000 in 2010).

28) Exhibit RB4 contains examples of packaging: dried marrowfat peas (form of use B with a sell by date of 10/2012), easy cook rice (form of use B, no sell by date), basmati rice (no brand, no sell by date), gram flour (form of use A, no sell by date), generic cardboard box (form of use B).

29) Exhibit RB5 contains a sample of invoices for various goods sold to a number of companies around the UK. Many feature the words TRIPLE LION, T/L which Mr Butler states to mean that they feature the registered mark (again it is not possible to ascertain which version of the mark is being used). They date between 2005 and 2010.

30) Mr Butler provided a separate witness statement in respect of the revocation proceedings (although, of course, one impact of consolidation is that all the evidence is to be regarded as common to all the proceedings), which is much the same as the evidence already detailed. He confirms that use has been made on a continuous basis since 2001 on food products including: rice products, flour products, noodles, canned fruits and vegetables, herbs and spice, condiments, beans and pulses.

31) Exhibit RB5 (of this further evidence) contains a list of 2011 sales for a variety of products with T/L in the title. Exhibit RB6 is an inventory movement report from 2005 to 2011 in relation to "T/L" goods. They are significant in number and are tied to invoices. Exhibit RB7 contains a large number of invoices for various T/L goods. Exhibit RB8 contains sample packaging showing the variations of the mark as per the earlier evidence. Exhibits RB9/10 contain details of sales and invoices regarding the purchasing of packaging from the external companies used to produce the packaging. There is no reference to TRIPLE LION or T/L. Exhibit RB11 contains an invoice from 2009 and one from 2011 for packaging for TRIPLE LION EASY COOK RICE. Exhibit RB12 contains invoices from 2011 regarding the purchase of rice – Triple Lion is mentioned in the invoices. Exhibit RB13 contains an email from a rice supplier in 2012 with its current stock of product, some refer to TRIPLE LION. Exhibits RB14/15 contain an email from Arcadia foods showing the current (2012) stock of goods it holds including gram flour; and an invoice for gram flour milling. Exhibit RB16 contains invoices from 2009 and 2010 regarding the printing of promotional material; they do no mention TRIPLE LION.

32) Mr Butler states that around £33,000 has been spent since 2005 on promoting the TRIPLE LION BRAND products. Reference is also made to promotion via its website, prints from which are provided and which refer to TRIPLE LION (in words) and which also show the logo (as per form of use B). No evidence is given as to when the website went live. Mr Butler highlights that one of the brochures supplied in this further evidence was provided in the first set of

evidence (which was filed for the proof of use proceedings) and, so, it must have been used between 2007 (the date mentioned in the brochure) and 2011 (when the first set of evidence was filed). In relation to the brochure in RB3, he confirms that this has been used for a number of years. Mr Butler adds that SPL has attended trade shows, two in 2011 are mentioned. He says the fact that some of the packaging has a shelf life of up to 2014/2013 is not pertinent as the products have very long shelf lives.

33) The evidence as a whole clearly establishes that SPL has operated a business involving the supply of various goods in which one form or another of the TRIPLE LION BRAND mark has been used. The brochures, invoices, packaging and the commentary of the witness collectively inform on this. However, what Mr Coles seized upon at the hearing was the lack of specificity in relation to what form of mark was being used when and in relation to what goods. For example, the invoices refer to TRIPLE LION or T/L generally, as does Mr Butler in his witness statement. The relevance of this is that although I have already found that forms of use A and B may be relied upon as an acceptable variant, there was a further form of use which Mr Hollingworth did not rely upon. Furthermore, it was difficult to precisely date the brochures and packaging as falling in some of the relevant periods. Whilst I bear this in mind, it seems to me to be artificial, when all the evidence as a whole is considered, to believe that the form of use not relied upon will have taken on more significance during the relevant periods than the illustrative material provided demonstrates. I come to the view that the materials filed should be taken as illustrating to the tribunal the goods upon which the various forms of use were applied. So, form of use A can be taken as being applied to gram flour and form of use B to a variety of other goods. In any event, Mr Butler states that the brochures provided had been put out for a number of years – this also assists. In view of the above, as a consequence of the use of forms of use A and B, there has been genuine use of the registered mark in relation to the following goods:

Form of use A

Gram flour.

Form of use B (the goods are taken from the various brochures etc)

Rice: basmati rice, long grain rice, easy cook rice.

Dried products: peas, beans and lentils, pearl barley, corn, chick peas, black eye beans; mung dall, chana dal and urid dal (which appear to be lentils); kala chana (which appear to be chick peas).

Spices: chilli powder, cumin, coriander, turmeric, curry powder, garam masala.

Peanuts (they appear to be unprocessed) and sesame seeds.

Cornmeal.

Mint sauce.

Coconut milk.

Tinned goods: lychees, chopped tomatoes, plum tomatoes, pineapple, mango.

A fair specification

34) In terms of deciding upon a fair description, the description must not be over-*pernickety*². It is necessary to consider how the relevant public would likely describe the goods³. The GC in *Reckitt Benckiser (España), SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-126/03 (“Aladin”)* held:

“43 Therefore, the objective pursued by the requirement is not so much to determine precisely the extent of the protection afforded to the earlier trade mark by reference to the actual goods or services using the mark at a given time as to ensure more generally that the earlier mark was actually used for the goods or services in respect of which it was registered.

44 With that in mind, it is necessary to interpret the last sentence of Article 43(2) of Regulation No 40/94 and Article 43(3), which applies Article 43(2) to earlier national marks, as seeking to prevent a trade mark which has been used in relation to part of the goods or services for which it is registered being afforded extensive protection merely because it has been registered for a wide range of goods or services. Thus, when those provisions are applied, it is necessary to take account of the breadth of the categories of goods or services for which the earlier mark was registered, in particular the extent to which the categories concerned are described in general terms for registration purposes, and to do this in the light of the goods or services in respect of which genuine use has, of necessity, actually been established.

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

² See *Animal Trade Mark* [2004] FSR 19.

³ See *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32

protection, in opposition proceedings, only for the sub-category or subcategories relating to which the goods or services for which the trade mark has actually been used actually 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.

53 First, although the last sentence of Article 43(2) of Regulation No 40/94 is indeed intended to prevent artificial conflicts between an earlier trade mark and a mark for which registration is sought, it must also be observed that the pursuit of that legitimate objective must not result in an unjustified limitation on the scope of the protection conferred by the earlier trade mark where the goods or services to which the registration relates represent, as in this instance, a sufficiently restricted category.”

35) I also note the comments of Mr Geoffrey Hobbs QC, sitting as the appointed person, in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited* BL O/345/10, where he stated:

“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 Page 23 of 68 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.”

36) I have already stated what the mark has been genuinely used for.

37) The registration covers the following:

Class 29: Meat, fish, poultry and game; meat extracts; preserved dried and cooked fruits and vegetables; jellies; edible oils and fats; pickles; snack foods; pre-prepared meals; frozen ready meals; but not including jams, preserves or marmalades.

Class 30: Rice, tapioca, sago, flour, preparations made from cereals; salt; pepper; mustard; vinegar; sauces; spices; yeast; condiments; flavourings; snack foods; pre-prepared meals and constituents for meals; bread; frozen ready meals; but not including baking powder, flour based foodstuffs or noodles or foodstuffs including noodles.

Class 31: Fresh fruits and fresh vegetables; grains and pulses

38) In his skeleton argument Mr Hollingworth put forward the following suggestions:

~~Class 29: Meat, fish, poultry and game; meat extracts; preserved dried and cooked fruits and vegetables [alternatively: canned fruit and vegetables; dried peas and beans] ; jellies; edible oils and fats; pickles; snack foods [alternatively: peanuts]; pre-prepared meals; frozen ready meals; but not including jams, preserves or marmalades.~~

~~Class 30: Rice, tapioca, sago, flour, preparations made from cereals [alternatively: gram flour, rice flour] ; salt; pepper; mustard; vinegar; sauces [alternatively: mint sauce]; spices; yeast; condiments; flavourings; snack foods [alternatively peanuts]; pre-prepared meals and constituents for meals [alternatively coconut milk, beans, peas]; bread; frozen ready meals; but not including baking powder, flour based foodstuffs or noodles or foodstuffs including noodles.~~

~~Class 31: Fresh fruits and fresh vegetables; grains and pulses~~

39) It is helpful that Mr Hollingworth agreed to delete some of the terms. However, there are still occasions within the above suggestions which represent too broad a category. In such circumstances, the alternative proposal is closer to the mark. There are though further issues. The term “flavourings” is not a natural subcategory for the relevant goods – “spices” seems a more realistic term. Further, Mr Hollingworth has attempted to shoehorn certain terms under the designation “constituents for meals” (“coconut milk”, “beans”, “peas”) when the terms do not fall in class 30 at all. “Dried peas” and “beans” are, though, acceptable in class 29. “Coconut milk” also falls in class 29 but there is no term under which this falls so cannot be included. Also, peanuts has been placed in class 29 (as a fall-back to snack foods) but the type of peanuts sold are

unprocessed versions which would fall in class 31, however, there is no broad term under which peanuts would fall in that class as a nut is not a fruit, vegetable, grain or pulse. In my view the following specification is appropriate:

Class 29: Canned fruit and vegetables; dried peas and beans
Class 30: Rice, flour; gram flour, rice flour; mint sauce; spices
Class 31: Grains and pulses

40) Whilst Mr Hollingworth invited me to return to the parties to comment on an appropriate specification. I see no need to do so as the above represents a clear outcome based upon my findings of fact.

41) The consequence of this is that the above specifications will be used to assess the position under sections 5(2)(b) and 5(3) of the invalidity claim, and that SPL's registration will be revoked, save for the above goods, with effect from 16 July 2010.

BAD FAITH – INVALIDATION PROCEEDINGS

Legislation and the leading case-law

42) Section 3(6) of the Act states:

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

43) In *Red Bull GmbH v Sun Mark Ltd & Anr* [2012] EWHC 1929 (“*Sun Mark*”) Arnold J summarised the general principles underpinning section 3(6) as follows:

“Bad faith: general principles

130 A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/ Article 3(2)(d) of the Directive/ Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, “Bad faith in European trade mark law” [2011] IPQ 229.)

131 First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see *Case C-529/07 Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132 Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2009] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. *Case C-259/02 La*

Mer Technology Inc v Laboratoires Goemar SA [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133 Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134 Fourthly, bad faith includes not only dishonesty, but also “some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined”: see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135 Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136 Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137 Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138 Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

“41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089 , paragraph 48).”

The relevant date

44) Whether the trade mark registration was applied for in bad faith must be assessed at a particular point in time. Evidence from after the relevant date can, however, be instructive in deciding whether the application was made in bad faith at the relevant date if it sheds light backwards. As stated in the *Sun Mark* case, the relevant date is the application date of the trade mark. The relevant date is 5 March 2008.

Evidence and findings

45) Mr Butler states that he is not aware of any use by TVS of the mark as registered. The only use that has been made is of LION BRAND & device. He states that this is even closer to SPL's earlier mark and that this shows that there was never an intention to use the mark as registered. Mr Butler explains that TVS had been a customer of SPL for a number of years, a relationship which ended abruptly in 2007. He notes that TVS' application came very close after. He provides evidence in the form of invoices showing that TVS would have been

aware of its marks and he believes that the plan was to pass-off and/or to gain an advantage. He sees a benefit in registering LION HEAD (and device) rather than the mark they actually intended to use (LION BRAND and device) as this would enable TVS to get a mark through to registration without SPL being notified of it. Mr Butler refers to other imagery that SPL use which he says TVS has also incorporated in its imagery, including: the word LION, LION HEAD devices, the words EASY COOK and AMERICAN RICE, and stars and stripes imagery. Mr Butler states that Carryport received a call from an unnamed customer to tell them that TVS was selling rice in a bag that looked just like its product.

46) Mr Uppal states that if the plan was to use LION BRAND and device then this is what would have been registered. He sees no benefit in registering a mark for which there is no plan to use. He goes on to explain that an error occurred when the packaging was printed, the error being that the word BRAND was used instead of HEAD and that by the time the error was noticed a substantial amount of packaging had been produced. It was decided not to waste this packaging, so it was to be used until stocks ran out. Preparations for the change (the error correction) were introduced and suppliers informed of the change in January 2010. Exhibit TU03 contains artwork for new packaging showing the LION HEAD device mark. Goods showing the mark as registered have now been supplied and this has occurred since no later than May 2011. Catalogues, invoices and promotional leaflets are provided in support of this. Mr Uppal states that it was TVS' intention to use the LION HEAD logo in relation to American rice. However, he refers to restrictions on US rice importation which he explains delayed such use. Alternative sources for the rice were then sought and, in 2009, packaging for this was arranged. A company called Swiss Pack was to produce the rice packaging. He is sure that the correct version of the logo was produced but when it was sent back with the draft packaging it was erroneously changed to LION BRAND (a copy of the email from Swiss Pack containing the claimed errors is provided). Mr Uppal states that, unfortunately, no one noticed the error so substantial amounts of the packaging were produced.

47) Mr Uppal also explains that in May 2010 Buckingham Trading Standards raised with TVS a complaint it had received about TVS's packaging, in that it suggested that the rice being sold was American rice when it was not. In June 2010 a further complaint was brought to TVS' attention in that the logo it used on the packaging contained the ® symbol when in fact that was not the mark it had registered. Mr Uppal states that this was the first time that TVS became aware of the error. He agreed to over-stick the ® symbol and over-stick the elements that suggested American rice. Over-stickering was the cheapest option rather than wasting the remaining stocks of packaging. He agreed that when existing stock was used up the logo would be changed. An email to Trading Standards is provided in which reference is made that the logo would be changed to that as registered when existing stocks were used up; there is no reference in this to there being an error of any sort.

48) Mr Uppal states that a Mr Patel and Ms Shah of TVS arranged for the packaging production via Swiss Pack and that they liaised with Swiss Pack to investigate the error and to make arrangements for the production of new packaging with the correct logo. An email between Ms Shah and Mr Patel showing the new packaging draft is provided in TUIII04 – it refers to the word BRAND being replaced by the word HEAD. Again, there is no mention of any error as such. It is stated that earlier emails have been destroyed due to an IT problem. Mr Uppal states that it could have simply continued with LION BRAND and registered that, but they were committed to LION HEAD as that was the original plan. He states that he himself reviewed further packaging with LION HEAD to ensure that matters were correct.

49) Evidence was also given by Mr Vachhani, a director of Swiss Pack. He states that in mid 2009 he was approached by TVS with a raw design for “LION HEAD brand rice”. The job was urgent and the design sent in July 2009. Nothing further was heard until mid 2010 when some changes were requested including changing from LION BRAND to LION HEAD. He states that the earlier logo was “by our mistake made out as LION BRAND instead of LION HEAD brand”. It was a case of pure omission of the word HEAD and this mistake was neither picked up by us or the team of TVS in 2009. The error was then rectified.

50) My Uppal was cross-examined. I was particularly interested in Mr Uppal's responses regarding the alleged (by Mr Butler in his evidence) motivation for filing the wrong mark. Mr Uppal was adamant and convincing on this. That whilst he did not deny that he may have been aware of SPL's mark, this had absolutely nothing to do with the mark applied for. He said that there was no real reputation to trade off and if he was the sort of businessman who did wish to trade off someone's reputation (which he said he wasn't anyway) then he would have done so with regard to a company that has a proper reputation. I was persuaded by his answers that there was no intention on his part to trade off any reputation or goodwill that TVS may possess with regard to its TRIPLE LION mark. There is nothing in the written evidence that casts any further doubt.

51) The consequence of the above is, in my view, the unraveling of SPL's claim. Without being able to see any motivation as to why TVS would file for a trade mark it did not intend to use, it is extremely difficult to find in SPL's favour. Mr Hollingworth submitted that this did not matter and if I was not satisfied with Mr Uppal's explanation for the mistake then that was sufficient to establish that there was no intention to use and that bad faith was therefore made out. Whilst I understand the point, one factor leads to the other. Mr Uppal has stated that the plan was to use LION HEAD not LION BRAND. He has stated that there was a printing error. The print company has confirmed this. Mr Uppal struck me as an honest witness. Whilst there were one or two inconsistencies/lack of clarity in his testimony, including that at one point he thought that the first time the mistake was identified was during a stock take whereas on another occasion he stated that it was through the Trading Standards compliant, and furthermore that the

LION BRAND mark was still being used on some invoices (which Mr Uppal did not appear to know of), I did not consider him to be misleading the tribunal. It seems to me that attention to detail was not the greatest asset of the company, but in the absence of any reason why the wrong mark would be filed, together with the plausible explanation for the mistake, I am satisfied with TVS' version of events. **The claim under section 3(6) of the Act is dismissed.**

SECTION 5(2)(B) – INVALIDATION PROCEEDINGS

Legislation and case-law

52) Section 5(2)(b) of the Act reads:

“5.-(2) A trade mark shall not be registered if because –

(a)

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

53) In reaching my decision under this ground I bear in mind that the CJEU has issued a number of judgmentsⁱ which provide guiding principles relevant to this ground. In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (O/330/10), Mr Geoffrey Hobbs QC, sitting as the Appointed Person, quoted with approval the following summary of the principles which are established by these cases:

“(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is

permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either *per se* or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion."

Evidence pertinent to this ground

54) Both Mr Butler and Mr Uppal made comments in their witness statements concerning the degree of similarity between the marks. This is borne in mind but I need not detail this here as it is simply submission rather than fact. I also note that Mr Uppal referred to the different markets the parties target, but, as Mr Butler stated, this is not relevant as the matter must be assessed on the basis of the marks and the goods that are on the register and that marketing strategies do not affect this.

55) Mr Uppal states in his evidence that the public is used to differentiating between marks containing the word LION. He provides details of four trade marks containing the word LION or consisting of a lion as follows:



Website prints showing rice and photo of rice



packaging for noodles.



Website (Waitrose) print for rice.



Photo of custard powder.

56) Mr Uppal also refers to Mr Butler's claim that TVS has used only LION BRAND and device which brings it even closer, however, even for this closer mark there is no evidence that confusion has arisen. Mr Butler comments on these others marks but does not consider them as close.

57) In my view, the evidence of Mr Uppal referred to above is indicative of little. Only two of the other lion marks are in respect of rice. This is a weak start to any argument that the average consumer has been exposed to many lion marks and that they are used to differentiating. Further, the degree to which the marks have been used is lacking in detail so little can be read into this. In relation to the lack of confusion (with the mark claimed to be closer), such evidence is rarely significant⁴. The degree to which there has been concurrent use in the same market is not at all clear, in fact, there is a suggestion that different markets are

⁴ See the comments *The European Ltd v The Economist Newspaper Ltd* [1998] FSR 283

targeted so, whilst this does not affect the notional assessment, it at least demonstrates that any absence of confusion is indicative of little. In any event, the marks are not even those that are before the tribunal for consideration.

Comparison of goods

58) TVS' mark is registered in respect of the single term rice. SPL's earlier mark is registered for goods including rice, a term which has survived my proof of use assessment. The goods are, therefore, identical.

The average consumer

59) The case-law informs me that the average consumer is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). The degree of care and attention the average consumer uses when selecting goods can, however, vary depending on what is involved (see, for example, the judgment of the GC in *Inter-Ikea Systems BV v OHIM* (Case T-112/06)). The conflicting goods are rice. This is a low cost staple food product. The average consumer will be a member of the general public. A slightly lower than average degree of care and attention will be used when purchasing the goods, although, some care will still be taken in order to ensure that the right type of rice is being purchased for the culinary task required.

Comparison of the marks

60) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to their overall impressions, bearing in mind their distinctive and dominant components. The marks to be compared are:



v



&

TRIPLE LION

61) I will firstly compare the two figurative marks. In the LION HEAD mark the picture of the lion's head is larger, but it does not dominate the word LION which is presented fairly prominently and in bold. The word HEAD has less visual impact but is still a clear part of the mark and it is a word which is tied to the word LION to create a linked combination of words LION HEAD. In the TRIPLE LION mark I consider that the picture does take on more prominence than the words TRIPLE LION as it has greater visual impact. The words TRIPLE LION are, though, still an independent and distinctive part of the mark and the words are

not overwhelmed significantly. The word BRAND is non-distinctive so it does not add much, although, it is still part of the fabric of the mark.

62) On a visual basis there is a point of similarity in that both marks contain the word LION, although, the word is presented in a separate part of the respective marks. Furthermore, whilst both marks contain a picture of a lion's head (or heads in the case of the TRIPLE LION mark) there are clear points of visual difference in terms of the fact that one mark has a single lion whereas the other has three, that the single lion is presented in a much more life-like manner and the position of the lion heads creates a striking image with one looking forward and being almost superimposed over the two that look to the left and the right. Furthermore, whilst one word is the same, there are words in each mark which are alien to each other (HEAD in LION HEAD and TRIPLE/BRAND in TRIPLE LION). Weighing the differences between the mark, I come to the view that there is only a low to moderate degree of visual similarity.

63) From an aural perspective, one mark will be pronounced as LION HEAD, the other as TRIPLE LION. Whilst it is possible that the word BRAND may also be pronounced (in the TRIPLE LION mark), it is just as likely, given its non-distinctive nature, that it will not, so the TRIPLE LION pronunciation must be countenanced. Both contain the word LION in their respective pronunciations. However, the LION sound is the first part of the LION HEAD mark but the second part of TRIPLE LION. Furthermore, there are words alien to each (HEAD/TRIPLE). I consider there to be a moderate degree of aural similarity.

64) From a conceptual point of view there is a similarity because both marks make reference to a lion, but a difference in precise context because one indicates simply a lion's head whereas the other indicates three lions. I consider there to be a moderate degree of conceptual similarity.

65) In so far as the comparison with the word mark TRIPLE LION, similar observations apply with regard to the aural and conceptual analysis. In terms of visual similarity, I still consider there to be only a low to moderate degree of visual similarity as although there is no figurative aspect to the TRIPLE LION mark, there is still a figurative aspect to the LION HEAD mark which is completely alien from the TRIPLE LION mark and both marks still have additional (and different) words.

The distinctiveness of the earlier mark

66) The degree of distinctiveness of the earlier mark(s) must be assessed. This is because the more distinctive the earlier mark(s) (based either on inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24. There is a suggestion that lions (and also animals in general) are often used in trade for the type of goods in question. However, I do not consider that this materially effects the degree of inherent

distinctive character. This could simply indicate that such things are popular trade marks. There is nothing allusive at all connecting a lion and rice. There is a reasonable degree of distinctiveness, although not a high degree such as would be attributed to, for example, an invented word.

67) In terms of the use made, the evidence presented is not significant. It appears to be geographically limited. There is nothing to suggest that it has been promoted on a wider scale. I do not consider that the use provided enhances, to any material extent, the degree of distinctive character of either earlier mark.

Likelihood of confusion

68) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

69) I will firstly consider the position between the two figurative marks. The matter is to be assessed on the basis of the average consumer identified earlier (with the characteristics identified) purchasing or seeking to purchase the identical goods (rice). Having weighed all the relevant factors, and bearing in mind the concept of imperfect recollection, I come to the view that the differences between the marks are more than sufficient to render direct confusion unlikely. The visual differences are stark and the average consumer will not mistake one mark for the other. However, a likelihood of confusion also includes indirect confusion whereby the average consumer puts the similarities between the respective marks down to their being some form of connection in an economic sense between the proprietor's of the marks (e.g. that the goods being provided under the marks come from the same or an economically linked undertaking). This argument was strongly pursued by Mr Hollingworth. Whilst I have given full cognisance of the possibility of such a finding, I come to the view that there is no likelihood of indirect confusion. An average consumer will, in my view, at the very least recall that one brand was called TRIPLE LION (and that its device aspect reflected these word) and the other was LION HEAD or LION. They will recall that the devices used are visually different in style and impact even though they both have a lion or lions in them. These pointers are sufficient to avoid the likelihood of the common lion theme being perceived as the result of the same (or economically related) undertaking providing rice under a brand variation. **There is no likelihood of confusion between the figurative marks.**

70) The comparison between the LION HEAD figurative mark and the TRIPLE LION word mark brings some differences in analysis. However, there is still, in my view, more than sufficient differences to rule out a likelihood of direct

confusion. In terms of indirect confusion, whilst the device aspect of TRIPLE LION is not part of the assessment, the average consumer will still recall this as the TRIPLE LION brand and the simple presence of a LION concept/word in the competing marks is not enough for the perception to be of a same stable product. **There is no likelihood of direct or indirect confusion.**

71) On the basis of the above, the opposition under section 5(2)(b) fails.

SECTION 5(4(A) OF THE ACT – INVALIDATION PROCEEDINGS

72) Section 5(4)(a) of the Act prevents the registration of a mark the use of which is liable to be prevented reads:

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

73) The elements of passing-off (often referred to as the classic trinity) can be summarised as: 1) goodwill, 2) misrepresentation and 3) damage. In *Reckitt & Colman Products Ltd v Borden Inc* [1990] R.P.C.341, Lord Oliver summarised the position quite succinctly when he stated:

“The law of passing off can be summarised in one short general proposition--no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff...Thirdly he must demonstrate that he suffers, or in a quia timet action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.”

74) Although not always the case, a claimant is often in no better position under section 5(4)(a) than it is under section 5(2). This is a case in point. Even if it were established that the sign corresponding to the earlier mark was associated with the claimant's goodwill, the differences between such a sign and the registered

mark still exist – if there is no likelihood of confusion as already discussed, I struggle to see how the claimant can be in any better position to suggest that there would be misrepresentation. Mr Hollingworth did not advance a materially different case. **The ground under section 5(4)(a) fails.**

SECTION 5(3) – INVALIDATION PROCEEDINGS

75) Section 5(3)⁵ of the Act reads:

“5-(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

76) In order to succeed under this ground the earlier mark must have a reputation. In *General Motors Corp v Yplon SA* (Chevy) [1999] ETMR 122 and [2000] RPC 572 the CJEU stated:

“The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.”

77) In line with my findings in paragraph 67 above, I conclude that the claimant has failed to establish that its mark has the requisite reputation to found a claim under this head. The evidence does not establish that the mark is known by a significant proportion of the relevant public for rice, a relevant public which consists of the general UK population. The ground fails for this reason alone. Furthermore, there would have been further difficulties under this ground given that the primary argument was based upon unfair advantage and I can see no reason why any advantage would be gained in this instance let alone an *unfair* advantage given that I have found that there was no intention of any sort on the part of SPL and no other aspect of unfairness has been identified. **The claim under section 5(3) of the Act fails.**

⁵ Section 5(3) was amended by The Trade Marks (Proof of Use, etc) Regulations 2004 (SI 2004 No. 946) giving effect to the judgments of the CJEU in *Davidoff & Cie SA and Zino Davidoff SA v Gofkid Ltd* (C- 292/00) and *Adidas-Salomon AG and Adidas Benelux BV v Fitnessworld Trading Ltd* (“Addidas-Salomon”) (C-408/01)).

SUMMARY OF CONCLUSIONS

78) All of the grounds pleaded in the invalidation proceedings have failed.

79) The non-use revocation has, though, partially succeeded. Registration 2181891 is to be revoked, with effect from 16 July 2010, **except** in relation to:

Class 29: Canned fruit and vegetables; dried peas and beans
Class 30: Rice, flour; gram flour, rice flour; mint sauce; spices
Class 31: Grains and pulses

Costs

80) The invalidation completely failed whereas the revocation only partially succeeded. Significant time (and evidence) was spent pursuing the section 3(6) ground (which failed). I come to the view, having balanced the outcome, together with what both sides put in to its respective cases, that some form of award is appropriate in favour of TVS. I hereby order the sum of £1600 to be paid. This sum is calculated as follows:

Preparing statements and considering the other side's statements
£300
Considering and filing evidence
£600
Attending the hearing
£500
Official Fee for revocation
£200

81) The above sum should 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 23rd day of October 2013

Oliver Morris
For the Registrar,
The Comptroller-General

ⁱ The leading judgments are: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, Case C-3/03 *Matrazen Concord GmbH v GmbGv Office for Harmonisation in the Internal Market* [2004] ECR I-3657 *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05).