

O-212-16

**TRADE MARKS ACT 1994**

IN THE MATTER OF AN APPLICATION FOR CANCELLATION  
UNDER NO 500898 BY JOHNNY ROCKETS LICENSING, LLC

OF

REGISTRATION NO 2274758 FOR A SERIES OF TWO TRADE MARKS



IN THE NAME OF EDDIE ROCKETS (IRELAND) LTD

## Background

1. Registration No 2274758 is for a series of two marks as shown on the cover page of this decision. It stands in the name of Eddie Rockets (Ireland) Ltd (“the registered proprietor”), was filed on 9 July 2001 and completed its registration procedure on 14 December 2001. The colours black and white, and red, black and white respectively, are claimed as elements of the marks. It is registered for the following services:

Providing of food and drink; restaurant, cafe and bar services.

2. On 23 June 2015, Johnny Rockets Licensing, LLC (“the applicant”) filed an application to cancel the registration. The application is made under the provisions of sections 46(1)(a) and (b) of the Trade Marks Act 1994 (“the Act”) on the grounds that the marks have not been used within the relevant periods in respect of any of the services for which they are registered. Revocation is sought under Section 46(1)(a) of the Act in respect of the 5 year time period following the date of completion of the registration procedure i.e. 15 December 2001 to 14 December 2006. Revocation under this ground is therefore sought from 15 December 2006. Revocation is also sought under Section 46(1)(b) of the Act in respect of the time periods 14 December 2006 to 13 December 2011 and 23 June 2010 to 22 June 2015. Revocation under this ground is therefore sought from 14 December 2011 or 23 June 2015.

3. The registered proprietor filed a counterstatement claiming the marks had been used in the UK in respect of all the services for which they are registered within the relevant periods.

4. Both parties filed evidence. It consists of witness statements of Niall Fortune, the registered proprietor’s founder and Managing Director and Harriet Sophia Berridge of the applicant’s representatives, Stobbs. Whilst I have read all of the evidence, I will not summarise it here but will refer to it as necessary later in this decision. The matter came before me for a hearing on 12 May 2016. At that hearing, the registered proprietor was represented by Mr Paul Kelly of FR Kelly who filed skeleton arguments. Whilst the applicant had been represented throughout the proceedings, it was not represented at the hearing nor did it attend or file written submissions in lieu of attendance.

## Decision

5. Section 46(1) of the Act states:

“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 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.”

6. Section 100 is also relevant and states:

“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.”

7. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

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

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(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 to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving 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. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

8. In his evidence, Mr Fortune states that he has been a director of the registered proprietor’s company since it was incorporated in 1989 and that it provides restaurant, café and bar services under and by reference to the trade marks.

9. Mr Fortune states that his company opened its Swansea restaurant in November 2007, a restaurant which continues to trade. He gives average turnover figures per annum since it opened as being in the region of £200,000. At Exhibit NF2, he provides the following:

- A copy of a letter dated 4 March 2008 from the local Police Licensing Officer providing comments to Swansea City Council on a licencing application for premises named as “Eddies Rocket Diner” in York Street, Swansea;
- Various invoices dated February and March 2012 and 2013 from PPL for payment of licensing fees in relation to the playing of recorded music at “Eddie Rockets City Diner” in York Street Swansea;
- A copy of an advertisement feature entitled “Meet you at Eddie’s” which shows the Swansea premises. Above the door is a sign in the same form as registered albeit with the words “Eddie Rocket’s” in a slightly different typeface. The article is not dated but appears to be from late 2007 or early 2008 as it refers to the opening day celebrations of the restaurant “in November” and states that the premises are now open and serves “authentic American style fare, plus Fair Trade coffee, a fun kids’ menu, vegetarian options, soft drinks, beer and wine and a delicious dessert menu”. There is no information to show where this advertisement was published;
- A copy of a similar advertisement feature giving details of the menu from the Swansea restaurant. It shows the availability of a variety of hot and cold food and drinks along with beers and wine. The words “Eddie Rocket’s” appear throughout the article. Again, it does not identify where it was published and is not dated but does include the following quote: “we’ve opened our first outlet in Wales because we found the perfect location here, near the entertainment zone of Salubrious Place...”

- A copy of a “dining out” page from the *South Wales Evening Post* giving details of various eating places in Swansea and surrounding towns. The largest advertisement relates to “Eddie Rockets” in York Street Swansea. The advertisement shows the mark as registered albeit with the words “Eddie Rocket’s” in a slightly different typeface. No dates are shown on the page but the text refers to the restaurant having been “located next to Lava Lounge for almost six years”;
- What Mr Fortune states is a copy of an advertisement. It shows an offer available from the York Street premises which expired “end of August 2008”. At the top of the page is the logo in similar form to those referred to above. Mr Fortune does not state where this advertisement was published;
- A page downloaded from the *South Wales Evening Post* website showing an article dated April 23, 2012. The article refers to various offers and discounts being available through a loyalty card offer and lists some of the various businesses who are participating in the scheme. The first one listed is “Eddie Rockets”;
- A page downloaded from the *South Wales Evening Post* website showing an article dated May 02, 2012. The article refers to a club in York Street Swansea which is described as being “opposite...an outlet of the Eddie Rockets restaurant chain”;
- A page downloaded from the *South Wales Evening Post* website showing an article dated August 23, 2013. It contains the following: “Eddie Rockets is offering a free birthday cake for parties of 15 or more along with 10 per cent off the total food bill”.

10. Mr Fortune states that the registered proprietor opened another restaurant in Bold Street, Liverpool in 2004. The restaurant closed in 2010 and few records are available but, at NF3, he exhibits what he states is “an extract from the debtors Statement that identifies the gross sales from 09 Jan 05 to 09 Aug 09. The figures are shown in Euros and shows a total Gross Sales figure for that period of €5,200,523.50”.

11. At NF4 he exhibits copies of two articles from *The Liverpool Echo* dated February 11, 2005 and June 21, 2007 both of which refer to the Liverpool restaurant. There are references in the text to “Eddie’s” and “Eddie Rocket’s”.

12. Mr Fortune states that in January 2015, the registered proprietor opened a new restaurant at the Quays Shopping Mall/Centre in Newry, Northern Ireland. He states that the “average turnover of the restaurant in Newry since opening has been just in excess of £19,500 Sterling”. He does not say whether this figure refers to daily, weekly or some other period of turnover. At NF5 he exhibits what he says are “copies of adverts relating to the opening of the restaurant and recruitment for the restaurant together with details of the restaurant as shown on the website...”. It consists of:

- A page containing what seems to be a poster seeking staff for “Our new Belfast Diner”. Below the advertisement is text which suggests that it was intended to be shown in the front windows of the Newry restaurant in Summer 2015. It shows a circular device containing the words “Eddie Rockets” and “City Diner”;
- What appears to be photographs of two windows displaying posters. The text on the page states: “48 SHEET POSTER SITE IN 3 LOCATIONS IN NEWRY -Various times throughout the year”. The first advertises a “Family Special”. Both show various items of food and both include a circular logo. Whilst the quality of the print is poor, I can see that both logos contain the words Eddie Rockets;
- A poster seeking staff for a restaurant soon to be opened in Newry. It informs that open interview days are to be held on 1<sup>st</sup> and 2<sup>nd</sup> October 2014 in Newry. The advertisement bears a circular logo containing the words Eddie Rocket’s and City Diner.
- Said to be a hoarding for Diner Preopening, the page shows the circular logo as above and advises that the restaurant is now open at the Quays Shopping Centre;
- A two page extract from the eddierockets.ie website. It provides a list of some 30 locations for the chain of restaurants in Ireland. It is not dated.

13. Mr Fortune states that the registered proprietor “regularly offers promotions in relation to all of it’s (sic) restaurants and these promotions are sometimes in association with other companies”. At NF7 he exhibits extracts published in the *Daily Mail* (London) in June 2011. They refer to a collaboration between Eddie Rocket’s and “slimming company Unislim” to create “fabulous healthy menu choices” available “from any Eddie Rocket’s diner nationwide”.

14. The evidence provided by the registered proprietor has a number of flaws as highlighted above but has not been challenged by the applicant. It shows that during the earliest relevant period the applicant operated premises in at least Swansea and Liverpool and undertook advertising by way of the local media. Turnover figures are provided for the two premises and the evidence shows that whilst the Liverpool premises were later closed down, both premises were or have been operating over a number of years with one continuing to do so. In her evidence, Ms Berridge makes reference to the size of the restaurant and casual dining sectors however, there can be little doubt that the use made, whilst not quantitatively significant, is justified in the relevant market and constitutes real commercial exploitation of the mark over a lengthy period of time.

15. As registered, both marks in the series claim colour as an element and the words “Eddie Rocket’s” are presented in an italicised typeface. The evidence is not presented in colour and, whilst it shows use of the mark in the same circular logo form, the words “Eddie Rocket’s” are presented in a slightly different typeface and I go on to consider whether this is use which, under section 46(2) of the Act, differs in elements which do not alter the distinctive character of the mark as registered. In

*Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under section 46(2) as follows:

"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 sub-questions, (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."

16. The evidence shows that in some cases, the words "Eddie Rocket's" have been presented in a different typeface to that as registered. That difference is so slight that it does not alter the distinctive character of the mark in any way.

17. Bearing the above in mind and, taking the evidence as a whole, I have no doubt that the registered proprietor has made genuine use of the marks in relation to all the services for which they are registered within the relevant period. That being the case, the application for cancellation fails.

### **Costs**

18. The registered proprietor having succeeded, it is entitled to an award of costs in its favour. At the hearing, Mr Kelly made reference to the fact that, at the conclusion of the evidence rounds, the applicant's representatives, having not requested a hearing but notified of its intention to attend, had requested the postponement of the hearing. That request was initially turned down as it had not provided any reasons to support such a request. It then repeated the request providing reasons to support it and the hearing was postponed. In the event, the applicant did not attend the hearing and was not represented. Mr Kelly submitted, although not with any vigour, that the award of costs should be higher than usual by way of punishment for the applicant's actions. Whilst the request to postpone the hearing, no doubt, caused a certain degree of frustration and inconvenience, the hearing was postponed only by a single day. Having requested and been granted the postponement, the applicant's non-attendance at the hearing may well raise eyebrows but Mr Kelly confirmed that his client had not been put to any additional expense as a result and indeed attended by telephone which would have reduced both the time and costs involved.

19. I make the award on the following basis:

Preparing a statement and considering the other side's statement:	£300
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Preparing evidence and considering the other side's evidence:	£500
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Preparation for and attending the hearing: £400

**Total: £1200**

20. I order Johnny Rockets Licensing, LLC to pay to Eddie Rockets (Ireland) Ltd the sum of **£1200**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 25th day of April 2016**

**Ann Corbett  
For the Registrar  
The Comptroller-General**