


O-107-07

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 82309
BY ELECO PLC
FOR REVOCATION OF TRADE MARK No. 2053732
STANDING IN THE NAME OF
ELEX S.P.A.**

BACKGROUND

1) The following trade mark is registered in the name of Elex S.P.A.:

Mark	Number	Registered Date	Class	Specification
	2053732	20.06.97	9	Calculating machines, software, computer software, data processing equipment and computers; parts and fittings for all the aforesaid goods.
			42	Designing of mechanical systems including apparatus for lifting persons or things, elevators, lifts and bed lifts.

2) By an application dated 1 November 2005, Eleco Plc applied for the revocation of the registration under the provisions of Section 46 (1)(b) claiming there has been no use of the trade mark in suit, or proper reasons for non-use, in the five years prior to the filing of the application for revocation, or in the alternative the mark has not been used in respect of any of the goods in Class 9.

3) On 8 March 2005 the registered proprietor filed a counterstatement stating that the mark had been used in advertising materials distributed in the UK during the relevant period. Evidence in the form of a witness statement is provided but I shall deal with this later in the decision.

4) Both sides filed evidence. Both sides ask for an award of costs. Neither side wished to be heard although the registered proprietor provided written submissions which I shall refer to as and when necessary in my decision.

REGISTERED PROPRIETOR'S EVIDENCE

5) The registered proprietor filed a witness statement, dated 8 March 2006, by Jane More O'Ferrall the registered proprietor's Trade Mark Attorney. She states that the mark has been used in advertising materials which have been distributed in the UK. She provides the following exhibits:

- JMOF1: a photocopy of a brochure which is in English and Italian which Ms O'Ferrall states was distributed in the UK. The document, which is not dated, refers to a CAD system which helps with quotations, design, technical calculations and material requirements. This system is produced by Elecad S.r.l. which has an Italian address different to that of the registered proprietor although the trade mark of Elex also appears on the brochure.
- JMOF2: a letter from the registered proprietor which Ms O'Ferrall states explains their business under the mark in suit. The letter states that since 1989 Elecad has developed special software to allow relatively unskilled people to produce computer aided drawings and pricing. It states that the software has

been very effective with Italian customers. It states that Elecad has hired its software direct to Italian customers with the registered proprietor (Elex) being one of them. It is stated that Elex sell 90% of its product abroad and so negotiated a contract for distributing the Elecad software in markets such as, *inter alia*, the UK, Hong Kong, Australia and Singapore. The registered proprietor then distributed the software to its clients when they became sole distributors of their lift packages in the relevant countries. Attached to this letter are documents which are stated to be periodical invoices to some of the Italian customers of Elecad. These are all in Italian and very poorly photocopied but appear to be between Elecad and other companies also in Italy. There is no suggestion on these documents that any of the charges relate to work carried out in the UK. The letter states that there is also an invoice between Elex and Elecad although again it is in Italian and poorly photocopied. There appears to be no reference to the UK. Lastly, attached is a copy of “paragraphs of the Appendix 4 of a typical contract with clients of the English market (the name has been obscured as a matter of privacy)”. The document is not dated and not signed, nor is the UK company identified.

- JMOF3: a copy of a distributor agreement between the registered proprietor and a former UK company Elex Lifts (UK) Ltd. Ms O’Ferrall states that this company ceased activity from 2003 and was dissolved in 2005. The agreement is dated 26 February 1994.
- JMOF4: A copy of a letter, dated 1 March 2006, from Curti Lifts (Northern) Ltd of Bradford to the registered proprietor stating that Curti have been using products bearing the mark in suit since 1995 in its various offices in the UK.

APPLICANT’S EVIDENCE

6) The applicant filed a witness statement, dated 8 June 2006, by Helen Jane Forsyth the applicant’s Trade Mark Attorney. She states that on 20 October she conducted an Internet search with the aim of identifying any use of the ELECAD stylised mark by parties related to Elex S.p.A. She states that she could find no such use. She also states that she searched UK websites for the combination of the words ELEX and ELECAD but again drew a blank. She did find that the Australian part of the Elex Group made reference on its website to ELECAD but this is not relevant to the UK.

REGISTERED PROPRIETOR’S EVIDENCE IN REPLY.

7) The registered proprietor filed a witness statement, dated 23 August 2006 by Joe McShera the Managing Director of Curti Lifts (UK) Limited based in Bradford. He states that his company has no corporate relationship with the registered proprietor, and that Elex is simply one of a number of lift manufacturers with whom his company does business. He states:

“(3) Elex, like the other European lift manufacturers with whom my company does business, supplies computer software together with lift equipment. I know Elex’s ELECAD system, and we have used it at my company for a number of years, since at least as early as 1995, and have continued to use it since that time. We have certainly made use of the system during the period 31 October

2000 to 31 October 2005, and have purchased lift equipment and the related ELECAD software during that period.

The ELECAD software is used for pricing, and to supply technical specifications, technical calculations, and layout drawings.

My company receives updates of the ELECAD software from Elex regularly, and approximately one a year.

(4) There is now shown to me marked Exhibit JS1 being a copy of a letter received by Curti Lifts Northern (a trading name of my company) in November 2002, in which Elex describes an agreement to furnish to my company the latest version of the ELECAD software. I confirm that, on each occasion an update of the ELECAD software has been offered to my company, we have taken that update.”

8) The letter at exhibit JS1 is from Elex to Curti Lifts Northern and is dated 28 November 2002. It refers to Elex providing a computer aided design package called ELECAD which is used to design the registered proprietor’s lifts. There is no cost shown in the letter, indeed the suggestion appears to be that the CAD software is supplied free so that the recipient can offer the registered proprietor’s lifts.

9) That concludes my review of the evidence. I now turn to the decision.

DECISION

10) The revocation action is based upon Section 46 (1)(b) of the Trade marks Act 1994, the relevant parts of which read as follows:

“46.-(1) The registration of a trade mark may be revoked on any of the following grounds -

- (a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;
- (b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;
- (c)
- (d)

(2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made.

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.”

11) The applicant alleges that the mark has not been used in the five years prior to the date of the application for revocation. The period in question is, therefore, 1 November 2000 – 31 October 2005.

12) Where the registered proprietor claims that there has been use of the trade mark, the provisions of Section 100 of the Act make it clear that the onus of showing use rests with him. It reads:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

13) I take into account the judgement in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* where the European Court of Justice, on 11 March 2003, stated at paragraphs 35-42:

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

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

37. It follows that ‘genuine use’ of the mark entails use of the mark on the market for the goods or services protected by that mark and not just internal use by the undertaking concerned. The protection the mark confers and the consequences of registering it in terms of enforceability *viv-a-vis* third parties cannot continue to operate if the mark loses its commercial *raison d’etre*, which is to create or preserve an outlet for the goods or services that bear the sign of which it is composed, as distinct from the goods or services of other undertakings. Use of the mark must therefore relate to goods or services already

marketed or about to be marketed and for which preparations for by the undertaking to secure customers are under way, particularly in the form of advertising campaigns. Such use may be either by the trade mark proprietor or, as envisaged in Article 10(3) of the Directive, by a third party with authority to use the mark.

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

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

40. Use of the mark may also in certain circumstances be genuine for goods in respect of which it is registered that were sold at one time but are no longer available.

41. That applies, *inter alia*, where the proprietor of the trade mark under which such goods were put on the market sells parts which are integral to the make-up or structure of the goods previously sold, and for which he makes actual use of the same mark under the conditions described in paras [35] to [39] of this judgement. Since the parts are integral to those goods and are sold under the same mark, genuine use of the mark for those parts must be considered to relate to the goods previously sold and to serve to preserve the proprietor's rights in respect of those goods.

42. The same may be true where the trade mark proprietor makes actual use of the mark, under the same conditions, for goods and services, which, though not integral to the make-up or structure of the goods previously sold, are directly related to those goods and intended to meet the needs of customers of those goods. That may apply to after-sales services, such as the sale of accessories or related parts, or the supply of maintenance and repair services.”

14) The only use of the mark in suit which has been provided is an undated brochure or leaflet. This was in Italian and English. Whilst the registered proprietor states that this was distributed in the UK there are no details such as when it was distributed or to whom it was sent. The documents in JMOF2 do not appear to relate to the UK. Whilst the document at JMOF3 is a distribution agreement with a UK company it is dated six years prior to the relevant period. There is no evidence that the agreement was still in effect during the relevant period or whether the agreement resulted in any business.

15) The only other evidence of use provided by the registered proprietor came from an independent company, Curti Lifts (Northern) Ltd. This company states that it has

used the Elecad Computer Aided Design (CAD) system during the relevant period and that it purchases updates annually.

16) I take into account the words of Aldous LJ in *Thomson Holidays Ltd v Norwegian Cruise Line Ltd* [2003] RPC 32:

“In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use.”

17) In the instant case the registered proprietor has provided evidence of use only in respect of “computer software for designing lifts” in Class 9. Therefore, the registration in respect of the following goods and services is revoked with effect from 1 November 2005:

In Class 9: “Calculating machines, software, data processing equipment and computers; parts and fittings for all the aforesaid goods”.

In Class 42: “Designing of mechanical systems including apparatus for lifting persons or things, elevators, lifts and bed lifts”.

18) The term “computer software” is accepted as being non-specific and far to general. I therefore intend to restrict the specification to the following in Class 9:

“Computer software for designing lifts.”

19) As the applicant has been, for the most part, successful they are entitled to a contribution towards their costs. I order the registered proprietor to pay the applicant the sum of £2,000. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 18th day of April 2007

**George W Salthouse
For the Registrar,
the Comptroller-General**