TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No. 82388 BY CALOR GAS NORTHERN IRELAND LIMITED FOR REVOCATION OF TRADE MARK No. 1420144 STANDING IN THE NAME OF FLO-GAS LIMITED

BACKGROUND

1) The following trade mark is registered in the name of Flo-Gas Ltd

Mark	Number	_	Class	Specification
		Date		
	1420144	27.09.91	4	Fuels and illuminants all included in Class 4.
Series of two marks				

- 2) By an application dated 18 January 2006, Calor Gas Northern Ireland Ltd applied for the revocation of the registration under the provision of Section 46(1)(b) claiming there has been no use of the trade marks in suit in the five years prior to the filing of the application for revocation, nor in the five year period ending on 23 March 2005, and that there are no proper reasons for non-use.
- 3) On 2 May 2006 the registered proprietor filed a counterstatement claiming that it had used its mark in the five year period ending on 23 March 2005 and also the five year period ending on 18 January 2006.
- 4) Both sides filed evidence. Both sides ask for an award of costs. The matter came to be heard on 11 April 2007 when the registered proprietor was represented by Mr Hicks of Counsel instructed by Messrs Swindell & Pearson and the applicant was represented by Mr Wilkes of Messrs Groom Wilkes & Wright LLP.

REGISTERED PROPRIETOR'S EVIDENCE

- 5) The registered proprietor filed a witness statement, dated 2 May 2006, by Margaret Shaller the Marketing Manager of the registered proprietor company, a position she has held for ten years. She states that her company has used the marks in suit on the products included in the specification. She continues:
 - "I refer to exhibit MS1 which comprises several flyers and advertising literature dating back to 2003 relating to our fuel products sold and promoted under the mark by my company."
- 6) None of the three leaflets are dated. One is clearly a safety leaflet reminding consumers of the types of safety checks they should carry out on their equipment. The other two offer speedy delivery and competitive pricing. They do not specify precisely what is offered but in my view the average consumer would instantly be aware that canisters of gas are being offered for sale. Each of the leaflets has at least one device element which comprises a gas cylinder "character". I have attached copies of these leaflets in full at appendix 1 so that the devices used can be easily seen.

APPLICANT'S EVIDENCE

- 7) The applicant filed a witness statement dated 11 August 2006 by Gavin Hyde-Blake an inquiry agent. He states that he was employed to ascertain if the registered proprietor had used its registered marks. At exhibit GHB1 he provides a copy of his report. The conclusion is that the marks have not been used.
- 8) That concludes my review of the evidence. I now turn to the decision.

DECISION

- 9) The revocation action is based upon Section 46 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)
 - (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."

- 10) The applicant alleges that the marks have not been used in the five years prior to 23 March 2005 and also in the five years prior to the date of the application for revocation. The periods in question are, therefore, 23 March 2000–22 March 2005 and 19 January 2001 18 January 2006.
- 11) Where the registered proprietor claims that there has been use of the trade marks, 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."
- 12) It is clear that the devices used on the leaflets are not exactly the same as those registered. I must therefore first consider whether use of the devices on the leaflets can be considered to be use of the marks in suit. In considering this issue I look to the judgement of the Court of Appeal in *BUD / BUDWEISER BUDBRAU* [2003] RPC 25. In particular, I refer to the comments of Lord Walker at paragraphs 43-45 where he stated:
 - "40 These points are uncontroversial, not to say pedestrian, but they do to my mind help to show what is the right approach to the language of s.46(2) of the Act, which is at the heart of the first appeal:
 - "...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."

(This language is word for word the same as the English language version of Art.10.2(a) of the Directive).

- 41 The word "elements" can be used, and often is used, to refer to the basics or essentials of a matter. However it can hardly have that meaning in s.46(2), since a basic or essential difference in the form in which a trade mark is used would be very likely to alter its distinctive character. In s.46(2) "elements" must have a weaker sense (of "features" or even, as Mr Bloch came close to submitting, "details").
- 42 The deputy judge touched on this and some related points in paras [18-22] of his judgment. He stated that the elements of a mark must be assessed separately. He also stated (or at least implied) that only some of the elements might contribute to the distinctive character of the mark. He pointed out that the inquiry was as to whether the mark's distinctive character was altered (not substantially altered).
- 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."

13) I also refer to the comments of Sir Martin Nourse, in the same *Bud* case where, at paragraph 12, he said:

"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."

- 14) At the hearing it was accepted by the registered proprietor that its strongest case was served by the two leaflets which also feature a fly/bee device. The "safety" leaflet which showed the gasbottle man wearing a hat with "Flogas" printed on it was deemed, by the registered proprietor, to be further away from the marks registered. This is a position which I fully endorse. They are clearly different marks.
- 15) I shall concentrate on the character shown on the two flyers "Instant service.....with Flogas" and "Don't get left on the shelf". To my mind the characters shown on the two flyers are identical and so I shall refer to them in the singular. Whilst the character on the flyers is based on a gas cylinder there are significant differences to the characters registered. The registered marks do not have a nose whilst that on the flyers has a very prominent proboscis. Also the registered marks do not have cheeks, whilst the character on the flyer has very marked cheeks which protrude. The eyes are a different shape being rectangular on the flyer and arched in the marks registered. Although they could be said to be evolved from the original they are markedly different. Mr Hicks invited me to consider section 41 and contended that the marks could constitute a series. To my mind they are not the same mark and would fail the "series" test. In my view the registered proprietor has failed to show any use of the registered marks.
- 16) However, in case I am wrong on this I shall consider whether if the leaflets were construed to show use of the registered series of two marks, whether that use would constitute genuine use sufficient for the purposes of 46(1)(b).

- 17) 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 effectivo') 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."
- 18) In the instant case the registered proprietor has provided three leaflets which it claims were issued during the relevant period. The witness comments on these as follows:
 - "I refer to exhibit MS1 which comprises several flyers and advertising literature dating back to 2003 relating to our fuel products sold and promoted under the mark by my company."
- 19) At the hearing it was contended by Mr Hicks that a fair reading of the above would lead one to the position that the leaflets were all used in 2003. He claimed that to consider that possibly only one of them dated back to 2003, with the others being used at some point between 2003 and the date of the witness statement was over forensic. I disagree. No precise dates are given for the use of each leaflet, and they are not dated. The registered proprietor has not provided details of how many leaflets were issued, to whom they were sent or the area/s of the UK in which they were distributed. No evidence of sales such as invoices, market share or general advertising has been provided. All of which were surely within the registered proprietor's records. Neither has any evidence from independent witnesses been filed. Whilst I accept that the test is "on the balance of probability" I do not believe that the evidence provided is detailed enough for me to accept, on the balance of probabilities, that the marks were used in the relevant period. The registered proprietor would have had to put up a much stronger case to succeed under this test. Even then there is the question as to whether the flyers constitute use on, or in relation to, the relevant goods. In addition the presence of the fly/bee device also casts doubt on whether the gas cylinder man would be seen as a trade mark or simply another humorous adornment.
- 20) Consequently, it is my opinion that the registered proprietor has not shown any use of the registered trade marks and the revocation action under Section 46(1)(b) succeeds. Trade mark 1420144 is therefore revoked with effect of 22 March 2005.

21) As the applicants have been successful they are entitled to a contribution towards their costs. I order the registered proprietor to pay the applicants 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 20th day of April 2007

George W Salthouse For the Registrar, the Comptroller-General



Don't get left on the shelf...



...team up
with Flogas...
...today

GO WITH

Competitive prices
Same-day delivery
National supply
network
Local distribution
depots
Complete customer

support & training

Cleaner, more powerful fuel

Environmentally friendly

CALL NOW 0800 085 6225

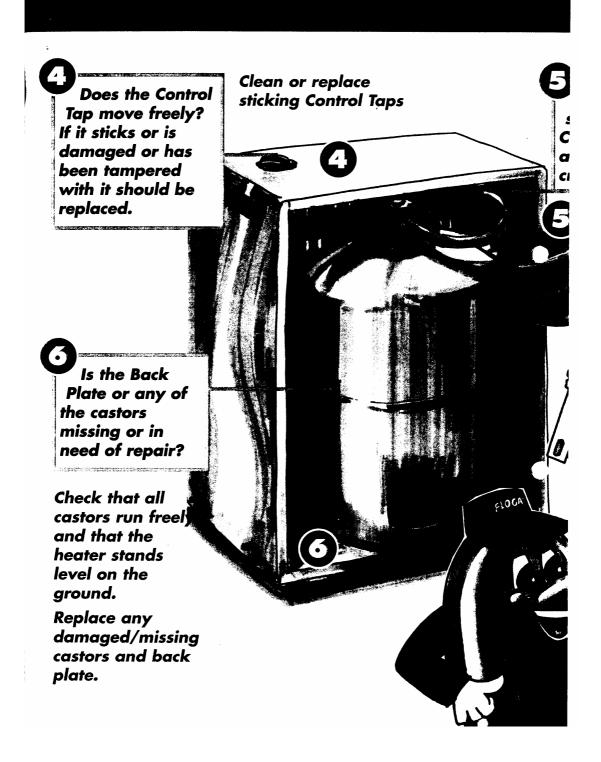
STAY SAFE AND WARM

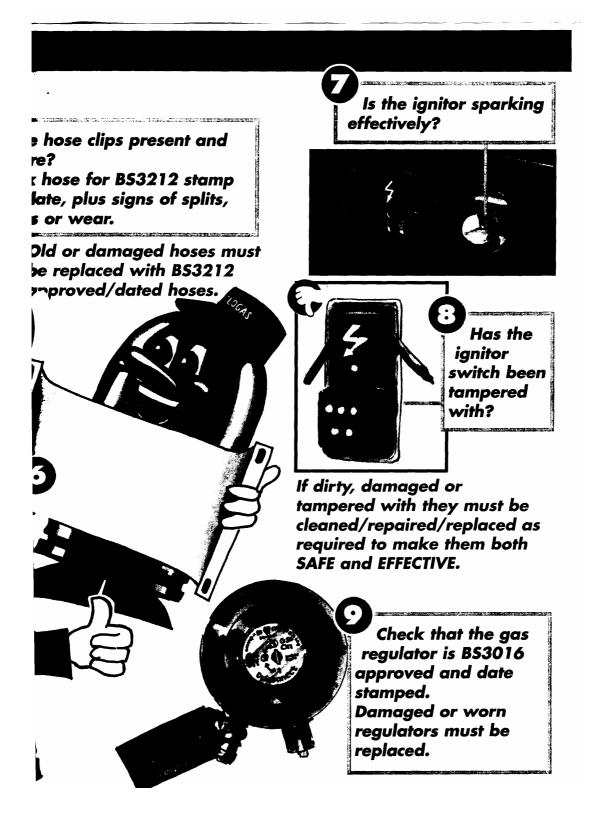


replaced?

Check that the fireguard and kickplate are both o.k. and in place.

overheating?







STAY SAFE AND WARM FLOCHECK CHECKLIST

