

## **TRADE MARKS ACT 1994**

**IN THE MATTER OF Application N<sup>o</sup>: 2161257  
in the name of Badgequo Limited  
register a Trade Mark Class 9.**

**IN THE MATTER OF Applications for revocation  
of trademark N<sup>os</sup>: 868593, 1181046 and 1187039  
in the name of Sally Hair and Beauty Supplies Limited.**

1. On 18<sup>th</sup> March 1998 Badgequo Limited (BL), of Airedale Business Park, Keighley Road, Skipton, North Yorkshire, BD23 2TZ applied to register the trade mark TECHNIC for the following goods:

Class 3: ‘Cosmetics, cosmetic kits, nails (false), nailcare products; make-up; but not including any such goods for use on the hair; none being for sale to the professional hair care trade including professional hairdressers and hairdressing salons’.

Class 8: ‘Cuticle clippers, tweezers, nail clippers, nail files, manicure sets, scissors, razors, pedicure sets; but not including hair scissors and hair razors; none being for sale to the professional hair care trade including professional hairdressers and hairdressing salons’.

Class 21: ‘Cosmetic brushes, powder compacts and puffs, vanity cases, cosmetic mirrors; none being for sale to the professional hair care trade including professional hairdressers and hairdressing salons’.
2. The application was opposed (N<sup>o</sup>: 49198) by Sally Hair and Beauty Supplies Limited (Sally) on the basis of the earlier registrations listed above, and the applicants in this matter sought revocation of those marks (N<sup>os</sup>: 11473, 11474 and 11475). I give the details of Sally’s registrations in the ANNEX.
3. Sally oppose the application above on a number of grounds, in particular under s. 5(2)(b) on the basis of their earlier registrations. It is necessary, in this matter, to understand the nature of the attack by BL on these registrations (which is identical for each), as it forms the basis of their submissions here. They state that the trade marks have not been used in relation to goods which are not ‘.. preparations for the hair, all being professional products for sale to hairdressing salons’., and request that the proprietor’s right be deemed to have ceased in relation to the revoked goods prior to 18<sup>th</sup> March 1998, the date of their application. Sally deny this, stating that the mark was used over that period.
4. Dealing with the opposition first, the following evidence was subsequently produced by the parties:

For Sally:

Statutory Declaration by Paul Royston Parkin dated 20<sup>th</sup> June 2000.

For BL:

Witness Statement by Kenneth Eastwood 2<sup>nd</sup> February 2001.

Witness Statement by Lisa Pauline Brown 1<sup>st</sup> February 2001.

5. BL, the applicants (in both the opposition proceedings and the revocation actions) seek striking out of evidence. They wrote on 8<sup>th</sup> February:

‘According to paragraphs 5 and 9 of the statutory declaration of Mr. Parkin, the TEKNIQUE products are sold through what Mr. Parkin describes as “retail stores”. A photograph of one of these so-called retail stores can be seen at exhibit LPB1 to the witness statement of Lisa Brown. You will see from this photograph that both the door of the store and a notice of opening signs to one side are marked with the words “trade only”. This is not a retail store. I draw your attention further to the enclosed witness statements which make it apparent that the opponent is a supplier of goods to the hairdressing trade. I therefore request that relevant parts of Mr. Parkin’s declaration be struck out as follows:

Paragraph 5: The first sentence to read as follows “The TEKNIQUE products are sold both to the professional hair care trade, e.g. hairdressing salons, ~~and direct to the general public~~ through ~~retail~~ stores located throughout the United Kingdom”.

Paragraph 9: Strike out the word “retail”.’

6. The evidence submitted in the revocation proceedings is as follows:

For Sally:

Statutory Declaration by Paul Royston Parkin dated 1<sup>st</sup> June 2000.

For BL:

Witness Statement by Kenneth Eastwood 2<sup>nd</sup> February 2001.

Witness Statement by Lisa Pauline Brown 1<sup>st</sup> February 2001.

The applicants’ submission here is different to that in the opposition, but it is based on essentially the same foundation – that Sally have not carried out any retail sales to the general public.

7. An interlocutory hearing was held on 25<sup>th</sup> October in London and Newport over the video-link, where BL were represented by Mr. Jonathon Couchman, and Sally did not attend, but submitted written comments. I summarise the position of the parties as follows.

## The opposition

8. Mr. Couchman set out his position in skeleton argument before the hearing:

‘Registrar has the power to regulate procedure before her (*Friskies* [2000] RPC 536) and her practice is to permit striking out of evidence (*Vogue*, O/035/01, Patent Office Website).

3. The striking out of inadmissible evidence has been allowed before the Designs Registry (*J Howitt & Son Ltd v. Megaprint Group Limited* O/068/00, Patent Office Website).

4. Mr. Parkin’s evidence asserts that Teknique products have been sold “direct to the general public through retail stores located throughout the United Kingdom”. The evidence of Lisa Brown in relation to a sample “retail store” is that in fact it is not a retail store. Mr. Eastwood’s witness statement confirms that Teknique is used on professional products.

5. It is to be concluded that the opponent does not have “retail stores located throughout the United Kingdom”.

6. The overriding objective (CPR Rule 1) is for cases to be dealt with justly, which includes expeditiously and fairly. It would be contrary to these requirements to maintain in the evidence unsubstantiated assertions contradicted by well substantiated evidence from the other side.

7. Analogy may be drawn with CPR Rule 3.4, under which a statement of case may be struck out if it appears to the Court *inter alia*:

(a) there are no reasonable grounds for bringing or defending the claim; or

(b) the statement is an abuse of process or otherwise likely to obstruct the just disposal of the proceedings.

In this regard, Practice Direction, 3 under the Civil Procedure Rules gives apposite instances of claims falling within Rule 3.4 which in our submission analogously apply to evidence (see paragraphs 1.5 and 1.6 of the Practice Direction).

9. The Opponent’s failure to submit evidence in reply substantiating the “retail store” assertion should be taken into account. By analogy with want of prosecution, the evidence concerned should be struck out for want of action to support the assertions’.

9. Sally’s response to this was as follows, from their written submissions:

‘2. The Applicant disputes the truth of the statement by Mr. Parkin in his Declaration that the Opponent’s TEKNIQUE Products are sold “direct to the general public through retail stores”, although it does not appear to be disputed that the TEKNIQUE products are sold to the Professional hair care trade.

3. It should be borne in mind that Mr. Parkin is the Managing Director of the Opponent and his evidence is given by way of a sworn Declaration. It is therefore only fair that his

evidence on this point should be taken at face value.

4. The single direct piece of evidence put forward by the Applicant to refute the assertion by Mr. Parkin is the Witness Statement of Lisa Pauline Brown. Ms. Brown states that she approached three of the many dozens of Sally stores operated by the Opponent, two of those in person and one by telephone. She makes no mention in her Statement of having made any attempt to purchase any of the products (particularly the TEKNIQUE products) on sale at the Sally stores she visited personally as a member of the general public. Consequently, there is nothing in the evidence of Ms. Brown (or indeed the rest of the Applicant's evidence) that amounts to irrefutable, proof of the Applicant's assertion that the TEKNIQUE products are not available for retail purchase by the general public at the Opponents Sally stores'.

### The Revocation Actions

10. Mr. Couchman summarised the applicants' case as follows:

'1. The question in these cases is not whether the proprietor's marks have been used, but whether such use has been restricted to professional products. Alternatively stated, the question is whether there has been retail use.

2. The proprietor submitted voluminous evidence that the marks have been used but this is off the point. The exhibited brochures are marked "Trade Only" etc. The only "evidence" that there has been retail use consists of unsubstantiated assertions in paragraph 5 of Mr. Parkin's declaration in each case. Paragraph 6 of the declaration is a submission and not evidence (*Academy*, Revocation 9214, O/169/00: See paragraph 9 of the decision of the Appointed Person).

3. Section 100 places the onus on the proprietor to prove use. That onus "Is not discharged by assertions or claims to use, for the Act requires the registered proprietor to show ... what use they have made of the trade mark" (*Primark*, Revocations 10503-10507, O/357/01).

4. It is not enough to show use: genuine use must be shown (Section 46). This involves the quantity as well as the nature of use (*Euromarket Designs Inc. v. Peters* [2000] ETMR 1025; *Laboratoire de la mer*, Revocation No 10074, O/264/01). The opponent's evidence not only fails to show what use has been made of the mark, it also fails to show that any use was genuine.

5. The Registrar is not required to make a final determination on the basis of Rule 31(3) (*Wallet*, Revocation/Invalidity No 11219, O/019/01) but the proprietor is required under Rule 31(3) and pursuant to Section 100 to "show what use" has been made of the mark, i.e. demonstrate, the nature of the use. The contested evidence in this case shows or demonstrates nothing and certainly not the nature of use, nor that any use has been genuine.

---

6. According to *Wallet*, Rule 31(3) is satisfied where the proprietor's evidence presents an arguable case. This principle could apply only if Section 100 were in any event complied with and, if *Wallet* is applied in this case, the inevitable conclusion is that an arguable case

has not been presented because an unsubstantiated assertion does not even start to suggest that there has been genuine use.

7. Practice Direction 3 relating to CPR rule 3.4 states that a defence may fall within CPR rule 3.4(2)(a) where it consists of a bare denial. Paragraph 5 of each of Mr. Parkin's declarations is a bare denial that the registration concerned is liable to revocation as sought in the statement of grounds. It is therefore right that the proprietor should be treated as not having entered a defence under Rule 31(3).

8. It is appropriate for the Registrar to take the facts as they apply at the date of the Hearing. This includes our evidence (especially that of Lisa Brown) that the proprietor's "Sally" stores are not retail stores and the failure of the proprietor to submit further evidence. In the light of these facts, there is no conceivable reason for the Registrar to find in favour of the proprietor.

9. The marks should be revoked as requested in the Statement of Grounds, as of five years after completion of the registration procedure (Section 46(6)).

11. To this, Sally responded:

'1. The Applicant's Skeleton Arguments suggest that they do not dispute that the proprietor's marks have been put to genuine use. The Applicant's contention appears to be that the evidence of use filed by the proprietor shows that the proprietor's marks have been used on goods sold exclusively to the professional hair care trade and that contrary to the assertion of the proprietor that the said marks have not also been "sold retail direct to the general public".

2. The Applicant consequently requests that proprietor's marks be revoked as requested in the Statement of Grounds.

3. We submit that to grant the request of the Applicant (as indicated in paragraph 2 above) at this stage, without the benefit of a substantive hearing and a consideration of all the evidence in full and any oral submissions relating to that evidence, would be contrary both to the procedure laid down in the Trade Marks Rules, 2000 and to natural justice.

4. The proprietor's evidence of use of their marks comes in the form of a Statutory Declaration from Paul Royston Parkin in his capacity as Managing Director of the proprietor. Mr. Parkin asserts in his Declaration that the proprietor's goods are sold both to the professional hair care trade and direct to the general public through its Sally stores located throughout the United Kingdom. As Mr. Parkin gives his evidence by way of sworn Declaration it is only fair that his evidence be taken at face value. The single direct piece of evidence put forward by the Applicant to refute the assertion by Mr. Parkin is the Witness Statement of Lisa Pauline Brown. Ms. Brown states that she approached three of the many dozens of Sally stores operated by the proprietor, two of those in person and one by telephone. She makes no mention in her statement of having made any attempt to purchase any of the products on sale at the Sally stores she visited personally as a member of the general public. Consequently, there is nothing in the evidence of Ms. Brown (or

indeed the rest of the Applicant's evidence) that amounts to irrefutable proof of the Applicant's assertion that the proprietors goods are not available for retail purchase at the proprietor's Sally stores'.

12. Following the hearing on 25<sup>th</sup> October, I determined that the material submitted by Sally would best considered by the Hearings Officer appointed at the main hearing, who would, there, be able to draw his own inferences as to its implications. BL asked for a statement of reasons.

### Decision

13. Taking the opposition proceedings first, I agree with Mr. Couchman's submission relating to the capacity of the Registrar. It is also clear from the comments of Pumfrey, J in *Pharmedica GmbH's Trade Mark Application* [2000] RPC 536 that the Registrar has the power to regulate procedures before her. This includes the inherent power of any tribunal to accept evidence - and to strike it out if necessary. In *Rhone Poulenc SA* [1989] RPC 570 the Court held that there was jurisdiction in the Comptroller to strike out where it was found that the matters before him were an abuse of the process or were frivolous or obviously unsustainable for some other reason. In my view guidance provided here indicates that the Registrar has inherent power to strike out evidence as, for example, when the evidence, or part of it, is not relevant to the proceedings before her.
14. In reference to Mr. Couchman's citation of the Civil Procedure Rules 1998 (CPR), it is of course clear that they did not apply to proceedings before the Trade Marks Registrar, but can be relied upon as a guide to the exercise of her discretion (*Sun Microsystems Inc.'s Trade Mark Application* [2001] RPC 25; *St. Trudo Trade Mark* [1995] FSR 345). Mr. Couchman's direction, in particular to rule 3.4 of the CPR, and Practice Direction 3 which passes comment upon it, where for the purposes of drawing an analogy only. Of course, both are concerned with the striking out of a statement of case and not with evidence as such. However, the passages he directed me to do not, I believe, require a response altogether different to that I have just described. Is the evidence vexatious or obviously ill-founded?
15. It seems to me that the Declaration of Mr. Parkin merits examination against the material evidence. My assessment of that material, without the benefit of submission from both sides that a hearing will provide, perhaps makes me uncomfortable with the bold assertion by Mr. Parkin that Sally has sold its products 'direct to the general public through retail stores located throughout the United Kingdom.' However, this statement, in my view, cannot be deemed so starkly and manifestly untrue as to be described as vexatious, scurrilous or obviously ill-founded. The Declarations of Ms. Brown and Mr. Eastwood question the veracity of Mr. Parkin's assertions, but are not decisive on the issue. As Sally point out above (paragraph 9):

'The single direct piece of evidence put forward by the Applicant to refute the assertion by Mr. Parkin is the Witness Statement of Lisa Pauline Brown. Ms. Brown states that she approached three of the many dozens of Sally stores operated by the Opponent, two of those in person and one by telephone. She makes no mention in her Statement of having made any attempt to purchase any of the products (particularly the TEKNIQUE products) on sale at the Sally stores she visited personally as a member of the general public. Consequently, there is nothing in the evidence of Ms. Brown (or indeed the rest of the Applicant's evidence) that amounts to irrefutable, proof of the Applicant's assertion that

the TEKNIQUE products are not available for retail purchase by the general public at the Opponents Sally stores.’

16. In the light of the ‘debate’ about Mr. Parkin’s evidence, it is perhaps not wholly helpful to Sally that they have chosen not to put in further evidence to explain it further. But, as I said at the hearing with Mr. Couchman, I can draw my own conclusions at a main hearing, having heard the submissions of both parties.
17. Turning, now, to the revocation actions, r. 31(3) states:

‘(3) Where a counter-statement, in conjunction with a notice of the same, on Form TM8, and evidence of use of the mark or reasons for non-use of the mark, are not filed by the proprietor within the period prescribed by paragraph (2), the registrar may treat his opposition to the application as having been withdrawn’.
18. The first point to make, is that the rule gives the Registrar a discretion, and it is this that Mr. Couchman is asking me to exercise here.
19. Next, r. 31(3) is a procedural and administrative requirement, aimed at expediting the revocation process and avoiding unnecessary expense. Its purpose is to test the commitment of the registered proprietor to a mark attacked on the basis of non-use. Proprietors that do not respond to an application for revocation – or respond in a desultory manner – run the risk of an exercise of the Registrar’s discretion, which may result in the Registrar concluding that the mark at issue is no longer of any interest to its owner, or that the owner is unable to defend against the non-use attack. R. 31(3) is not intended to require an exhaustive indication of the registered proprietors use.
20. The rule is consistent with s. 100 of the Act, which 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’.
21. However, the use to be shown is genuine use ‘in relation to the *goods* ... for which it is registered.’ (s. 46(1)(a); my emphasis). Taking these various passages together, r. 31(3) requires a demonstration by the proprietor of use of his mark in relation to the goods which are the subject of his registration. And this is what the Sally appear to have done.
22. Further, the reference to ‘goods’ and use thereof does not stipulate evidence of the *market* in which the goods have been traded. This goes to the nature of BL’s attack on Sally’s mark, and which I really require submissions on before I am to make a judgement.
23. All in all, as the *Wallet* Decision, makes clear, the existence of further evidence rounds following this provision ‘..suggests that the requirement on the registered proprietor under Rule 31(3) is satisfied in a case where his evidence presents an arguable case under Section 46 (1)(a) or (b)’. And what I have seen so far, at the very least, suggests this.
24. I do not believe that the purpose of r. 31(3) - which I have regarded as a procedural requirement which Sally have met – should be used as a means of exercising what would

amount to a summary judgement against them. I therefore do not see how I am able to exercise the Registrars discretion under r. 31(3) and decline to do so. In my view, it would be better for both parties to, as soon as possible, arrange with the Registry a date for a main hearing so that matter can be resolved after a proper examination of the evidence and exposure of the all the relevant arguments.

**Dated this 28<sup>TH</sup> Day of November 2001.**

**Dr W J Trott  
Principal Hearing Officer  
For the Registrar, the Comptroller General**



## ANNEX

Mark	Number	Application date	Goods
TECNIQUE	868593	27.08.1964	'Perfumes, non-medicated toilet preparations, eau-de-cologne, cosmetics, preparations for the hair, soaps, dentifrices, essential oils, aromatic substances for use in the manufacture of perfumes and of perfumed articles, and toilet articles included in Class 3'.
TEKNIQUE	1181046	01.09.1982	Class 3: 'Anti-perspirants; perfumes; non-medicated toilet preparations; cosmetics; dentifrices; shampoos; hair waving preparations; soaps'.
TEKNIQUE FREESTYLE	1187039	13.12.1982	Class 3: 'Anti-perspirants, perfumes, non-medicated toilet preparations, cosmetic preparations, dentifrices, shampoos and soaps'.