

O-174-04

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK REGISTRATIONS  
NOs. 2234632 & 2234699  
IN THE NAME OF MD INTERACTIVE LIMITED**

**AND**

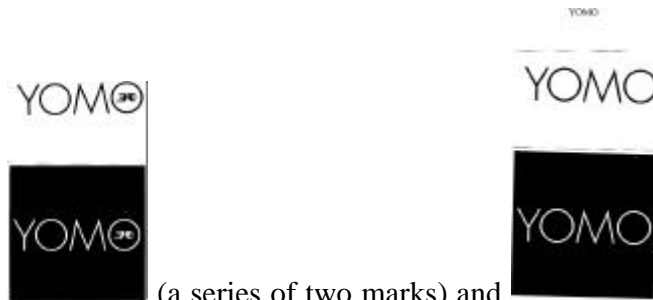
**IN THE MATTER OF APPLICATIONS FOR  
DECLARATION OF INVALIDITY NOs. 81668 & 81669  
THERE TO BY MAGMAS LIMITED**



**IN THE MATTER OF** trade mark registrations Nos. 2234632 & 2234699  
in the name of MD Interactive Limited

**AND**

**IN THE MATTER OF** applications for Declaration of Invalidity  
Nos. 81668 & 81669 thereto by Magmas Limited

## **BACKGROUND**



1. The trade marks  (a series of two marks) and  (a series of three marks) were filed on 2 June 2000, have been registered since 2 March 2001 under number 2234632 and 2234699 (respectively) and stand in the name of MD Interactive Limited. Both are registered in respect of:

Class 09:

Electronic games including electronic games downloaded from the Internet; data including sound and images downloaded from the Internet; compact discs and mini discs; data storage media; sun glasses; storage racks specially adapted for data storage media; audio and video apparatus; mouse mats; cd cases; credit and debit cards; encoded cards.

Class 16:

Printed matter, printed publications; stationery; folders, wallets; ring binders, pencil cases and pencil boxes; posters and stickers; writing instruments; books, magazines and newsletters; greeting cards; credit and debit cards; encoded cards.

Class 18:

Bags, rucksacks, holdalls, wallets, umbrellas, purses; keyfobs; goods made of leather or imitation leather.

Class 25:

Articles of clothing including footwear and caps; belts.

Class 36:

Banking services including banking services provided via the Internet; loan services, credit services; financing services; credit card services and card payment services; cashless payment services; saving and investment services; loyalty card and affinity card services; discount scheme services; provision of information and advice relating to all the aforesaid services.

2. On 19 March 2004, Magma Limited filed applications for the declaration of invalidity of the registrations. The actions were filed on Forms TM26(I) together with the appropriate fees. The statement of grounds accompanying the applications set out the ground of action, which are under sections 47(1) and 3(6) of the Act.

3. In the statement of grounds the applicant alleges that the trade marks were applied for in bad faith, the applicant claiming to have established that the registered proprietor did not exist on the register of company's held by Companies House, neither was the registered proprietor's name listed as a former registered company name or the name of a dissolved company. The applicant submitted that as MD Interactive Limited did not exist as a legal entity at the date of application there could be no bona fide intention to use the trade mark. Attached to each statement of grounds was an exhibit, comprising copies of pages from three searches of the Companies House database, for company names commencing with the letters MD and the searches being carried out in the "Current/Recently Dissolved Names", "Previous Names" and "Dissolved Names" sections of the database, demonstrating that there was not, and had not been, a company listed under the name of the registered proprietor.

4. On 30 March 2004 copies of the applications for the declaration of invalidation and the statement of grounds were sent to the address for MD Interactive Limited recorded on the register. The consequences of failure to defend the registrations were set out in the letter dated 30 March 2004, namely that the applications for declaration of invalidity could be granted in whole or in part.

5. On 14 April 2004 the Registrar received a letter from Martin Dawes Limited, acknowledging the letter dated 30 March 2004 sent to MD Interactive Limited and stating that ". . . the Company has been struck off with Companies House for some time now and we have no object(ion) to the trademark being used."

6. The registered proprietor did not file a counter-statement to defend his registrations.

7. It does not however follow that the uncontested nature of this action will automatically mean success for the applicant for declaration of invalidity and failure for the registered proprietor. The onus in these circumstances is on the applicant for the declaration of invalidity to make the case that the registration should be declared invalid.

8. I am mindful of the decision in the *Firetrace Case* (BL 0/278/01) where the Hearing Officer stated:

"It is not sufficient to simply allege that a registration offends either Section 46 or 47 of the Act without doing more to prove that the allegation has substance. That said, when an application for revocation (other than non-use) or invalidation is made and the registered proprietors choose not to respond to such a request, I do not think that it is necessary for the applicants in those circumstances to have to

fully substantiate their allegations beyond providing evidence which supports a prima facie case.”

9. The reason that the Hearing Officer arrived at this view is the statutory presumption in Section 72 of the Act which states:

“In all legal proceedings.....the registration of a person as proprietor of a trade mark shall be prima facie evidence of the validity of the original registration and of any subsequent assignment or other transmission of it.”

10. The applicant for invalidity provided, along with each of their statement of grounds, an exhibit detailing the case against the registered proprietor. These exhibits, detailed in paragraph 3 above, are copies of printouts from the database of Companies House.

11. Acting on behalf of the Registrar and after a careful study of the papers before me I give this decision.

## **DECISION**

12. The applicant claims that the registration should be declared invalid as per Section 47 of the Act on the basis of the provisions of Section 3(6). The relevant parts of the Act are as follows:

“47.-(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).”

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

13. Recent case law has indicated that bad faith is a serious allegation. In *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367, Lindsay J stated at page 379:

“I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes 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. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall-short in order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances.”

14. The exhibits provided by the applicant clearly demonstrate that at no time was a company registered under the name MD Interactive Limited; this has not been challenged by the registered proprietor. In my view, a prima facie case of bad faith is established because at the date the applications for registration were filed, MD Interactive Limited was not a legal entity and could therefore not claim proprietorship of the trade marks, the subject of the applications for declaration of invalidity. The applications for a declaration of invalidity made under sections 47(1) and 3(6) of the Act therefore succeed.

15. As to costs, the applicant has been successful, and I order MD Interactive Limited to pay them £600. This sum is 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 15<sup>th</sup> day of June 2004**

**Graham Attfield  
For the Registrar  
the Comptroller-General**