TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No 2234201 BY DENIS McCOURT AND DARREN CHAPMAN TO REGISTER A TRADE MARK IN CLASSES 39 AND 41

AND

IN THE MATTER OF OPPOSITION THERETO UNDER No 51562 BY ALEXANDER VAN KLAVEREN

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and

IN THE MATTER OF Opposition thereto under No 51562 by Alexander Van Klaveren

BACKGROUND

1. On 30 May 2000 Denis McCourt and Darren Chapman applied to register the trade mark PARTY BUS in Classes 39 and 41 of the Register for the following specifications of services:

Class 39:

Transport services; transport of travellers; escorting of travellers; provision of information relating to transport services; arranging travel; vehicle hire; information and advice relating to all the aforesaid services, provided on-line from a computer database or from the Internet.

Class 41:

Presentation of live performances by entertainers, including dance and music; organisation, promotion and staging of competitions and competitive events; provision of recreation facilities; amusement services, all being services provided in relation to nightclubs, dance-halls and public-houses; provision of cinema, television and music facilities; entertainment club services; discotheque services; gaming services; party planning (entertainment); provision of information and advice relating to all the aforesaid services, provided on-line from a computer database or from the Internet.

- 2. The application was accepted by the Registrar and published in the Trade Marks Journal. On 13 October 2000 Alexander Van Klaveren filed Notice of Opposition against the application on the following grounds:
 - (i) Under Section 3(1)(b) of the Act because the mark is devoid of any distinctive character;
 - (ii) Under Section 3(1)(c) of the Act as the mark consists exclusively of signs or indications which may serve, in trade, to designate the kind, intended purpose or other characteristic of the goods;

- (iii) Under Section 3(1)(d) of the Act because the mark consists exclusively of signs or indications which are customary in the current language or in the bona fide or established practices of the trade;
- (iv) Under Section 3(6) of the Act as the application was applied for in bad faith in relation to Class 41 as the applicants' never had any bona fide intention to use the mark on any of the services sought in Class 41.
- 3. The applicants through their agents, Williams Powell Associates, filed a Counterstatement denying the grounds of opposition. Both sides filed evidence and have asked for an award of costs in their favour. The matter came to be heard on 6 June 2002 when the applicants for registration were represented by Mr Edenborough of Counsel instructed by Williams Powell Associates and the opponent by a friend, Mr Ross Anderson.

Opponent's Evidence

- 4. This consists of a statutory declaration by Alexander John Paul Van Klaveren (the opponent) dated 15 May 2001.
- 5. Mr Van Klaveren explains that in about November/December 1999 he and a fellow student in Edinburgh University decided to start a business in Edinburgh, operating a bus service for members of the public, in particular students, who wished to attend parties and other entertainments without having to drive a motor vehicle. He adds that this business is still being operated and since June 2000 has been extended to Glasgow.
- 6. Mr Van Klaveren says he had become aware that the applicants were offering a similar service in London, using the term 'party bus'. He opines that this seemed a very apt description of what they were doing and he adds that it never occurred to him that anyone might or could claim proprietary rights in these ordinary words.
- 7. Mr Van Klaveren states that the mark applied for consists of the ordinary English words "party" and "bus" which in his view are particularly apt to describe most of the services for which registration is sought. Mr Van Klaveren goes on to state that he has found examples of third parties using the term "party bus" to describe similar services and Exhibit AV2 to his declaration are copies of material, taken from the Internet demonstrating such use. This includes a Crimestoppers press release from October 1999 about the burning of the children's party bus at McDonald's restaurant in Bangor. The other Internet extracts are dated after 30 May 2000 (the relevant date) but show use of "Party Bus" by third parties in relation to the holding of childrens birthday parties and parties for adults (on buses) and also for transport to and from night clubs etc.
- 8. Next, Mr Van Klaveren turns to the description of the services covered by the application in suit and he states that, insofar as he has been able to ascertain, the description of the services applied for is very much wider than the services which the applicants have provided, in particular the Class 41 services. He adds that the applicants have never had the intention to use the mark on these services.

Applicants' Evidence

- 9. This consists of a witness statement by Anthony James Axe dated 16 August 2001. Mr Axe is a Registered Trade Mark Attorney in the employ of Williams Powell & Associates, the applicants' professional advisors in this opposition.
- 10. Mr Axe refers to the website information in Mr Van Klaveren's Exhibit AV2 and states that it is taken from websites on dates falling after the date of application for the mark in suit. He adds that the applicants began using PARTY BUS as a trade mark in 1993 and at Exhibit AJA01 to Mr Axe's statement is a copy of an advertisement for the applicant's nightclub tour service, which uses the PARTY BUS mark, taken from the listings magazine "Midweek" issued in November 1993; and also a copy of a Bank Statement dated 3 August 1994 made out to the applicants, trading as "Party Express the Party Bus".
- 11. Mr Axe goes on to state that the opponent has adduced no evidence to support his personal opinion that the mark is particularly apt to describe the services or that the mark is devoid of distinctive character or consists exclusively of signs or indications which may serve in trade or are used in trade.
- 12. Turning to the Section 3(6) ground, Mr Axe rebuts the allegation which he states, is not supported by any evidence.

Opponent's Evidence in Reply

- 13. This consists of a further statutory declaration by Alexander John Paul Van Klaveren which is dated 13 December 2001.
- 14. In relation to the Internet extracts at Exhibit AV2 to his first declaration, Mr Van Klaveren points out that the "Party Bus burnt at McDonald's, Bangor" incident took place on 19 October 1999. He goes on to refer to Exhibit AVK3, attached to the current declaration, which comprises further examples, taken from Internet sites, of descriptive use of the words "Party Bus" all of which are dated after the relevant date for these proceedings.
- 15. Next, Mr Van Klaveren draws attention to Exhibits AVK4 and AVK5 to his declaration which contain the following:
 - (i) a copy of a witness statement dated 15 November 2001 by Poz, the Director of Children's Entertainment Limited, a company specialising in childrens' party entertainment, in which Poz states that he/she began a company trading under the name "Party Bus" in 1988;
 - (ii) a copy of a witness statement dated 6 November 2001 by Paul Turnbull, the proprietor of Karibuni, a company specialising in small group adventure and discovery tours in which he states that his company website uses the words "party" and "bus" in a descriptive manner e.g. "It's not a dedicated party bus, but we are always up for a good night out";

- (iii) a copy of a statement dated 12 November 2001 by Shayne Jacks, the proprietor of Party Bus, a business specialising in childrens playbus/funbus activities, in which Mr Jacks states that he started the business in March 1993 using the name Party Bus and that the business continues under that name. He adds that he made enquiries about registering "Party Bus" with the Trade Marks Registry in 1996 but was informed, in writing, that it would not be possible to have exclusive rights to it. In Mr Jacks' view the words PARTY BUS should be free for use.
- 16. This completes my summary of the evidence filed in this case. I now turn to the decision.

DECISION

- 17. A preliminary point arose at the hearing as the opponents, Mr Van Klaveren, wished to be represented by a friend, Mr Ross Anderson. Mr Edenborough contended that as Mr Anderson was not legally qualified (a fact admitted by the opponent) he had no right of audience and should not be allowed to make submissions. In support of this argument Mr Edenborough drew my attention to provisions contained within the Court and Legal Services Act 1990.
- 18. While I agreed to note Mr Edenborough's point and his concern, I nevertheless decided to hear submissions from Mr Anderson. My reasons are as follows:
 - (i) It is the view of the Registry that, whatever the position may be in the courts or in certain other tribunals, there is no requirement that a representative at a trade mark hearing needs to be legally qualified to make submissions.
 - (ii) The trade mark tribunal is intended to be relatively informal, low cost, easy access alternative and to make it compulsory for representation to be by legally qualified persons is inconsistent with these objectives.
 - (iii) A party is entitled to be fully heard and if he/she decides that this would best be achieved through a non-legally qualified friend, I do not believe that it is for the Registrar to decide otherwise.
 - (iv) I do not consider that the applicants are unfairly prejudiced by Mr Anderson representing the opponent.
- 19. I now turn to the grounds of opposition. Firstly the Section 3(1) ground, the relevant parts of which are as follows:

(a)

....,

i which are as follows.	
"3(1) The following shall not be registered -	

(b)	trade marks which are devoid of any distinctive character

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended

- purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade:

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it."

- 20. In the present case I must consider whether, on a prima facie basis, the mark in suit meets the requirements of Section 3(1)(b), (c) and (d) of the Act. The applicant's have not submitted or provided direct evidence that their mark has acquired a distinctive character as a result of the use made of it.
- 21. It was common ground at the hearing that the case should be considered in the light of the 20 September 2001 judgement of the European Court of Justice in *Proctor & Gamble Company v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM), Case 383/99P for the mark Baby Dry. This judgement gives very useful guidance on the test for descriptiveness under Section 3(1)(c) of the Act.
- 22. I give below paragraphs 37, 39 and 40 of the judgement in full:
 - "37. It is clear from those two provisions taken together that the purpose of the prohibition of registration of purely descriptive signs or indications as trade marks is, as both Proctor & Gamble and the OHIM acknowledge, to prevent registration as trade marks signs or indication which, because they are not different from the usual way of designating the relevant goods or services or their characteristics, could not fulfil the function of identifying the undertaking that markets them and are thus devoid of the distinctive character needed for that function."
 - "39. The signs and indication referred to in Article 7(1)(c) of Regulation 40/94 are thus only those which may serve in normal usage from a consumer's point of view to designate, either directly or by reference to one of their essential characteristics, goods or services such as those in respect of which registration is sought. Furthermore, a mark composed of signs or indications satisfying that definition should not be refused registration unless it comprises no other signs or indications and, in addition, the purely descriptive signs or indications of which it is composed are not presented or configured in a manner that distinguishes the resultant whole from the usual way or designating the goods or services concerned or their essential characteristics."
 - "40. As regards trade marks composed or words, such as the mark at issue here, descriptiveness must be determined not only in relation to each word taken separately but also in relation to the whole which they form. Any perceptible difference between the combination of words submitted for registration and the terms used in the

common parlance of the relevant class of consumers to designate the goods or services of their essential characteristics is apt to confer distinctive character on the word combination enabling it to be registered as a trade mark."

- 23. These paragraphs indicate that only marks which are no different from the usual way of designating the relevant goods or services or their characteristics are now debarred from registration by Section 3(1)(c).
- 24. At the hearing Mr Edenborough was critical of the opponent's evidence in relation to use of "party bus" by third parties and pointed out that the bulk of this evidence is outside the UK jurisdiction and/or after the relevant date for these proceedings. Mr Edenborough's criticisms are well made. Nevertheless, there are individual items to which weight may be given, in particular the article relating to the burning of the children's party bus at McDonalds (paragraph 7 of this decision refers) and the statements made by Poz, Mr Turnbull and Mr Jacks (see paragraph 15 of this decision).
- 25. The mark in suit is PARTY BUS and comprises two obvious dictionary words. However, as made clear by the BABY DRY decision "descriptiveness must be determined not only in relation to each word taken separately but also in relation to the whole which they form".
- 26. In essence, the opponent's case forms a two pronged attack under Section 3(1). Firstly, that the mark describes transportation and associated services provided by bus to parties. Secondly, that the mark describes party and associated services provided on a bus.
- 27. I have stated my views on the opponent's evidence (paragraph 24 of this decision) which is of limited assistance. However, in considering the prima facie case I bear in mind my own knowledge and experience as the tribunal may re-evaluate the basis and circumstances of a marks acceptance by the Registry.
- 28. First of all, I consider the mark PARTY BUS in relation to transport services and the other services stipulated within the Class 39 specification. It seems to me that the services under consideration here are essentially dedicated bus services into those parts of towns, cities etc where evening and late night entertainment takes place in eg areas containing night clubs, restaurants, discos, concert halls or theatres. The entertainment locations or even the events which the users of the bus service attend are unlikely to be described as merely parties or a party, as such an indication is likely to be very imprecise as to both the destination and/or the event. I am not convinced that the mark in suit is descriptive of the Class 39 services specified by the applicant. The words PARTY BUS have not been shown under Section 3(1)(c) to signify the purpose or a characteristic of such services; have not been shown under Section 3(1)(d) to be customary in the language of the trade of such services; and are not under Section 3(1)(b) otherwise devoid of distinctive character for such services.
- 29. I conclude that the opposition under Section 3(1) fails in relation to the Class 39 services.

- 30. I now go on to consider the mark PARTY BUS in relation to the entertainment services stipulated within the Class 41 specification. Here, it seems to me, that it is perfectly feasible for entertainment services, including parties, to be provided or held on a bus, either a stationary or indeed, to a more limited degree, a moving bus. Such services could be for children on a "de-commissioned" or duplicate/model bus, or for adults. Furthermore, while the evidence submitted by the opponent is of generally limited assistance there are items to which weight may be given which are indicative of such use. In my view the words PARTY BUS would be a normal or usual way to designate entertainment services, which, in general, would encompass party services provided on or in a bus. Consequently, I consider that in relation to the Class 41 services the mark consists of a sign or indication that may serve in the trade to designate the kind or intended purpose of the services and is contrary to the provisions of Section 3(1)(c) and I believe it follows, Section 3(1)(b). However, I am unable to find substance in the Section 3(1)(d) ground which is dismissed.
- 31. I conclude that the opposition under Section 3(1) succeeds in relation to the Class 41 services.
- 32. Finally the bad faith ground, which I only need consider in relation to Class 39 as the opponents have already been successful in relation to Class 41 under the provisions of Section 3(1) of the Act.
- 33. Section 3(6) of the Act states:-
 - "A trade mark shall not be registered if or to the extent that the application is made in bad faith".
- 34. In *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367, Lindsay J considered the meaning of "bad faith" in Section 3(6) of the Act and 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 a 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".
- 35. In a recent unreported decision of the Appointed Person; in the matter of Application No 2031741 by Eicher Limited Royal Enfield Motor Units to register a mark in Class 12 and in the matter of Opposition thereto under No 45356 by David Matthew Scott Holder T/A Velocette Motorcycle Company and in the matter of Application No 9188 by David Matthew Scott Holder T/A Velocette Motorcycle Company for a declaration of Invalidity in respect of Trade Mark No 1514064 in the name of Eicher Limited Royal Enfield Motor Units, paragraph 31, Simon Thorley QC in relation to Section 3(6) started that:

"An allegation that a trade mark has been applied for in bad faith is a serious allegation. It is an allegation of a form of commercial fraud. A plea of fraud should not lightly be made (See Lord Denning M.R. in <u>Associated Leisure v Associated Newspapers</u> (1970) 2 QB 450 at 456) and if made should be distinctly alleged and distinctly proved. It is not permissible to leave fraud to be inferred from the facts (see <u>Davy v Garrett</u> (1878) 7 Ch. D. 473 at 489. In my judgment precisely the same considerations apply to an allegation of lack of bad faith made under Section 3(6). It should not be made unless it is distinctly proved and this will rarely be possible by a process of inference."

- 36. While bad faith may be exercised when there is no actual dishonesty as such, have the applicant's standards fallen short of the standards of acceptable commercial behaviour? It seems to me that the opponent's case consists of mere assertion and opinion which the applicant's have rebutted. Bad faith requires proof and lays a significant burden upon the opponent's to provide such before a finding can be given. The opposition under Section 3(6) fails.
- 37. The opposition has succeeded in relation to Class 41 only. If within 28 days of the expiry of the appeal period the applicants file a Form TM21 restricting their specification to the Class 39 services applied for, then the application will be allowed to proceed to registration accordingly. If they fail to file a Form TM 21 restricting their specification the application will be refused in its entirety.
- 38. Both sides have achieved a measure of success and in the circumstances I make no order as to costs. However, if the applicants do not amend their specification on the basis set out above and the application is refused in its entirety the opponent will be free to lodge an appropriate claim for costs.

Dated this 26 Day of July 2002

JOHN MacGILLIVRAY For the Registrar the Comptroller- General