

O/142/12

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NOS 2511518 & 2511519
BY BIG SKY PROMOTIONS INC. TO REGISTER THE TRADE MARKS**

EVEL KNIEVEL

AND

KNIEVEL

IN CLASSES 9, 12, 16, 25, AND 28

**AND IN THE MATTER OF CONSOLIDATED OPPOSITIONS
THERE TO UNDER NOS 99531 & 99532
BY K AND K PROMOTIONS, INC.**

AND

**IN THE MATTER OF APPLICATION NOS 2523667 & 2525035
BY K AND K PROMOTIONS, INC. TO REGISTER THE TRADE MARKS**

KNIEVEL

AND

EVEL KNIEVEL

IN CLASSES 9, 12, 16, 25, AND 28

**AND IN THE MATTER OF CONSOLIDATED OPPOSITIONS
THERE TO UNDER NOS 100167 & 100187
BY BIG SKY PROMOTIONS INC.**

BACKGROUND

1) On 19 March 2009, Big Sky Promotions Inc (“Big Sky”) applied under the Trade Marks Act 1994 (“the Act”) for registration of the following two marks:

Mark No. 2511518	Mark Text: EVEL KNIEVEL
<p>Class 9: <i>Crash helmets, Cyclists' helmets, Helmets (Protective-),Helmets for protection against injury, Motorcycle crash helmets, Helmets for scooter riders, Skateboard helmets,</i></p> <p>Class 12: <i>Vehicles; apparatus for locomotion by land, motorcycles, air or water; wheelchairs; motors and engines for land vehicles; vehicle body parts and transmissions.</i></p> <p>Class 16: <i>Paper, cardboard and goods made from these materials; printed matter; book binding material; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters; packaging materials; printers' type; printing blocks; disposable nappies of paper for babies; printed publications; paint boxes for children; cheque book holders.</i></p> <p>Class 25: <i>Clothing, footwear, headgear, Shirts, Shoes, Socks, Skull Caps, Jackets, Leather Garments, Leather, Polo Shirts, Jackets, T-Shirts, Tank Tops, Long Sleeve Shirts, Costumes, Childrens Clothing, Clothing for Sportswear, Coats, Jerseys, hats, Cyclists Clothing, Hoodied Sweatshirts, gloves, mittens, gloves for cyclists, golf gloves, sports gloves, Water repellent gloves for use by motor cyclists, Articles of clothing for golfers, Golf wear, Waterproof suits for motorcyclists, Suits made of leather for wear by motorcyclists, Motorcyclists' clothing [other than for protection against accident or injury], Articles of outer clothing for use in motorcycling, Articles of leather clothing for wear by motorcyclists, Sports headgear, Sportswear</i></p> <p>Class 28: <i>Games and playthings; playing cards; gymnastic and sporting articles; decorations for Christmas trees; childrens' toy bicycles, Action Toys, Remote Control Toys, Amusement Apperatus, Battery Operated Toys, Board Games, Coin Slot Machines, Coin-fed amusement machines, Electronic activity toys, Figurines being toys, Toys, Vehicles for children</i></p>	

Mark No: 2511519	Mark Text: KNIEVEL
<p>Class 16: <i>Paper, cardboard and goods made from these materials,printed matter, stationery, printed publications, paint boxes for children.</i></p> <p>Class 25: <i>Clothing, footwear, headgear, Casual shirts, t-shirts, dress shirts, long sleeve shirts, sweatshirts, hooded sweatshirts, jackets, leather garments, leather jackets, jackets, coats, motorcycle apparel, gloves, childrens apparel, nightwear, head wraps, skull caps, motorcycle riding suits, leather, Articles of clothing made of leather, Articles of leather clothing [other than protection against accident or</i></p>	

injury],Articles of outer clothing made of leather ,Belts made of leather [for wear],Suits made of leather for wear by motorcyclists,Athletics shoes,Shoes [footwear], other than protective or orthopaedic ,Shoes for casual wear,Riding boots, polo shirts,jerseys,tank tops,Caps [headwear],Eye shields [headgear],Face-protecting shades [headwear], Headscarves, Headscarfs, Headwear [clothing] for cyclists,

Class 28: *Games and playthings; playing cards; gymnastic and sporting articles; decorations for Christmas trees; childrens' toy bicycles, action toys, action figures, battery operated toys, remote controlled toys, ride on toys, amusement apperatus coin operated, amusement apperatus for use in arcades, electronic arcade games, board games, Articles for use in sport as protection against injury, Billiard apparatus , coin operated games, Cycling machines [stationary], Figurines being toys, Hand held electronic games [automatic] [other than those adapted for use with television receivers], Non-motorised toys for riding, Pedal-propelled wheeled toys, Toy bicycles, toys, Training apparatus for cyclists,*

2) On 12 June 2009 these two marks were published in the Trade Marks Journal and on 14 September 2009, K and K Promotions, Inc. ("K&K") filed notice of opposition to both applications. The grounds of opposition are essentially the same for both cases and are summarised as follows:

- a) The applications were made in bad faith and, therefore, offend under Section 3(6) of the Act. K&K claim that Big Sky knew that the mark did not belong to them. The address for service of Big Sky refers to Robbie Knievel, son of Robert Craig Knievel aka Evel Knievel. An officer of K&K is Kelly Knievel, also a son of Evel Knievel. There has been correspondence between the two regarding trade marks. It is inconceivable that Robbie Knievel is unaware of K&K's rights in the marks;
- b) The application for the mark EVEL KNIEVEL offends under Section 5(2)(b) of the Act because the marks are identical or similar to an earlier mark in the name of K&K and in respect of identical or similar goods. In respect of the application for KNIEVEL, it is submitted that it offends under Sections 5(1) and 5(2)(a) of the Act because it is in respect of an identical mark and identical or similar goods. K&K's marks post date Big Sky's marks but K&K's 2523667 KNIEVEL has an International Convention priority date of 13 February 2009 in respect of *T-shirts* in Class 25. K&K subsequently provided a copy of the Convention documents. Therefore, K&K's has an earlier mark (as defined by Section 6 of the Act) in respect of *T-shirts* only;
- c) The applications offend under Section 5(3) of the Act because K&K's marks have a significant reputation in the UK as a result of the publicised activities of EVEL KNIEVEL and the related merchandising activities. The applications would take unfair advantage or be detrimental to the distinctive character or repute of K&K's marks. This ground is only valid

insofar as K&K claims the priority date, mentioned above, in respect of *t-shirts*;

- d) The marks KNIEVEL and EVEL KNIEVEL have been used extensively in the UK since at least 1975, when EVEL KNIEVEL performed motorcycle stunts at Wembley Stadium. Widespread use of the marks has been made in respect of a wide range of goods and merchandise including souvenirs, memorabilia, toys and t-shirts. Therefore, there is a significant goodwill in the UK. Use of the applied for marks is likely to lead to misrepresentation and damage and the applications therefore offend under Section 5(4)(a) of the Act.

3) Big Sky subsequently filed a counterstatement denying the opponent's claims. It explains that it has made the applications on behalf of Robbie Knievel, a motorbike stunt rider and entertainer who has performed around the world since 1970 as ROBBIE KNIEVEL, KAPTAIN KNIEVEL and EVEL KNIEVEL II. It points out that mere knowledge of a third party's own right does not, in itself, constitute bad faith. Further, it does not accept K&K's claim to trade mark rights in the UK. At the time of filing, K&K had no registered trade mark rights, or applied for any, in the UK. On the other hand, as a result of Robbie Knievel's ongoing performances and merchandising activities, he does have a *bona fide* reason for applying to register KNIEVEL as a trade mark.

4) Big Sky draws attention of the later filing date of the mark relied upon by K&K and also that, even if accepted, the priority claim is only in respect of *t-shirts* in Class 25.

5) Big Sky contends that after the performance in Wembley, Evel Knievel did not perform any other shows in the UK. After 1980, he only performed in events professionally organised by Robbie Knievel, who himself appeared with his father as Evel Knievel II and, consequently, Robbie Knievel has his own goodwill in the name EVEL KNIEVEL.

6) On 13 August 2009, K&K applied under the Trade Marks Act 1994 ("the Act") for registration of the marks 2523667 KNIEVEL and 2525035 EVEL KNIEVEL for the following identical list of goods:

Class 9

Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signaling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, witching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-

extinguishing apparatus; safety clothing; helmets; sound and/or video recordings; CDs and DVDs; game software; sunglasses and cases therefor; fridge magnets.

Class 12

Vehicles; apparatus for locomotion by land, air or water; motorcycles; parts and fittings for all the aforesaid goods.

Class 16

Paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks; books; colouring books; sticker albums, pens, pencils, markers, crayons, magnetic slates, decorative pencil top ornaments, pen and pencil holders, pen and pencil cases, pen and pencil boxes, drawing rulers, rubber stamps, temporary paper tattoos, envelopes, note cards, note paper, pads, notebooks, binders, postcards, trading cards, book marks, decals, paperweights, paper party decorations; printed publications; magazines, newsletters; babies nappies; children's painting sets.

Class 25

T-shirts; clothing; footwear; headgear; belts and wristbands.

Class 28

Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees; toys; toy vehicles; toy motorcycles; toy action figures; accessories for toy action figures; playing cards; board games; toy figurines; dolls; soft toys; jigsaws and puzzles; handheld electronic games; gaming machines; slot machines (amusement apparatus).

Class 41

Education; providing of training; entertainment; sporting and cultural activities; entertainment and educational services, namely, providing an online website featuring information, photographs, and multimedia about motorcycles, motorcycle stunts, stunt memorabilia and stunt performers; conducting entertainment exhibitions in the nature of motorcycle stunt shows and motorcycle related exhibitions, and personal appearances by

sports celebrities, namely motorcycle stunt artists; educational services, namely conducting seminars and conferences in the field of motorcycle stunt riding.

7) As already mentioned, K&K's application 2523667 claims an International Convention priority date of 13 February 2009 in respect of *t-shirts* only.

8) On 13 November 2009 these two marks were published in the Trade Marks Journal and on 15 February 2010, Big Sky filed notice of opposition to both applications. The grounds of opposition are the same for both cases. These grounds included those under Section 3(6), Section 5(3) and Section 5(4)(a) of the Act, but they were subsequently struck out because Big Sky failed to file any evidence in support of its case.

9) The remaining grounds of opposition are that the marks offend under either Sections 5(1), 5(2)(a) or 5(2)(b) of the Act because K&K's marks are identical or similar to its two earlier marks, detailed in paragraph 1 above, and are in respect of identical or similar goods and services.

10) K&K subsequently filed a counterstatement denying the opponent's claims.

11) All four sets of proceedings were subsequently consolidated.

12) As indicated in paragraph 8 above, only K&K filed evidence in these proceedings. Both sides ask for an award of costs. Neither party requested a hearing and, accordingly, I make my decision after careful consideration of the papers on file.

K&K's Evidence

13) This takes the form of six witness statements by the following:

- Patrick M. O'Connor, attorney for the Estate of Robert Craig Knievel aka Evel Knievel;
- Krystal Kennedy Knievel, widow of the late Evel Knievel;
- Linda Knievel, former wife of Evel Knievel;
- Alicia Knievel Vincent, daughter of the late Evel Knievel;
- Tracey Knievel McCloud, daughter of the late Evel Knievel;
- Kelly Knievel, sole officer and director of K&K and son of the late Evel Knievel.

14) The main points that emerge from this evidence are:

- EVEL KNIEVEL is the stage name of the world famous American motorcycle stunt rider and entertainer Robert Craig Knievel who

performed in the USA and internationally between the late 1960s and late 1970s, receiving massive publicity;

- The trade marks KNIEVEL and EVEL KNIEVEL have become famous worldwide and are still recognised today due to the notoriety of Evel Knievel's stunts, including, on 25 May 1975, jumping 13 buses at Wembley Stadium in front of an audience of 90,000;
- The KNIEVEL and EVEL KNIEVEL marks are owned by K&K and it is the successor in interest to the late Evel Knievel. It obtained these rights by assignment in 1998. The terms of this assignment are set out in a Conveyance and Assignment Agreement that was executed simultaneously with a licence agreement licensing the rights back to Evel Knievel for the duration of his lifetime. A copy of the assignment is provided at Exhibit KK1 to Kelly Knievel's statement. This is dated 6 November 1998 and the relevant extracts read as follows:

"RECITALS

[...]

Knievel wishes to further develop and exploit his persona, including but not limited to, developing trademarks and service marks in his name; [...]

1. GRANT, CONVEYANCE AND ASSIGNMENT OF RIGHTS

Knievel hereby assigns, conveys and transfers to K and K, conditioned upon the execution of the licensing agreement, to be simultaneously executed by the parties, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the following are assigned:

1.01 **Trademarks.** All trademarks, tradenames and service marks in and to the names "Robert Craig Knievel," "Evel Knievel," "Evel," "Knievel," and "EK" and other such names, pseudonyms, nicknames, trademarks or monikers as Knievel may have used, or may use in the future."

[...]

2. K AND K'S PROTECTION AND EXPLOITATION OF SUCH RIGHTS

2.01 **Registrations.** K and K will help identify all trademarks, trade names, service marks, photographs, audio/visual works, drawing, paintings and other images of Knievel, and will, to the greatest extent possible under the law, with Knievel's help, secure

registrations of same through filing trademark and service mark registrations with the United States Patent and Trademark Office, and copyright registrations through the United States Copyright Office, to the extent that Knievel and K and K are entitled to do so.

[...]

3. **COMPENSATION**

The parties hereto have agreed that the rights conveyed herein shall be exploited and that the net proceeds from such exploitation shall be divided as follows:

- (a) Krystal Kennedy
- (b) Linda Knievel
- (c) Kelly Knievel
- (d) Robbie Knievel
- (e) Tracey McCloud
- (f) Alicia Knievel

[...]

6. **CONSTRUCTION**

For purposes of construction of this Agreement, the language herein shall be deemed to be the language of all parties, and no party shall be deemed to be the drafting party.”

- Kelly Knievel claims that this assignment includes “all worldwide trade marks [...] as well as the beneficial interest in all licenses and contracts related to such rights”. As evidence of the exercise of its worldwide rights, K&K has filed for trade marks in the US, Canada, UK, EU, Australia and Japan;
- Probate proceedings in respect of the estate of Evel Knievel are still outstanding in a Florida court. Robbie Knievel is not the executor (or “personal representative” as an executor is referred to in Florida) of Evel Knievel’s will. The personal representative is Krystal Kennedy Knievel. A copy of the letter of administration appointing Ms Kennedy Knievel is provided at Exhibit A to Mr O’Connor’s statement;
- All family members who have supplied evidence have done so in the form of virtually identical statements all stating that Robbie Knievel’s letter of 6 May 2009 to the Registry (a copy is provided at Exhibit AB1 to Ms Kennedy Knievel’s statement and others) stating that he represents the Knievel family and that he is executor of his father’s will is, in fact, not true;

- Robbie Knievel made these alleged false statements at the request of a Jeff Lowe of Big Fish. Kelly Knievel states that Mr Lowe is involved in criminal activities in the US and the filing of the UK trade mark applications by Big Fish is an extension of these activities into the UK;
- All family members state that the intellectual property rights, including trade mark rights related to EVEL KNIEVEL, are owned by K&K;
- In February 2010, Brand Merchandising Limited, Big Sky's recorded representatives in these proceedings, signed a licence agreement with K&K for the use of the trade marks KNIEVEL, EVEL and EVEL KNIEVEL in respect of various products in the UK (as defined by classes 9, 16, 25 and 32 "contained in International trademark" Class 9, Class 16, Class 25 and Class 32). A copy of this agreement is provided by Kelly Knievel at his Exhibit KK6 and the relevant extracts read:

"[...] K&K is the worldwide owner of the Licensed Marks [...]

[...]

1. Definitions. [...]

1.1. "*Licensed Marks*" shall mean the marks EVEL KNIEVEL (in standardized characters [...]), EVEL [...] and KNIEVEL (in standardized characters [...]) as well as any [...] trademarks (including without limitation the pending UK trade mark applications with application numbers 2523667 and 2525035 [...]) [...] Licensed Marks further includes the rights of publicity in and to the late Robert Craig Knievel p/k/a Evel Knievel [...] K&K makes no claim to full names or marks "Robbie Knievel" or "Kaptain Knievel" and such names are not included in the definition of Licensed Marks.

[...]

5. Protection of the Licensed Marks

5.1 *Ownership of licensed Marks.* During the term of this Agreement and after expiration or termination thereof, Brand Merchandising shall not contest or otherwise challenge or attack the rights of K&K in the Licensed Marks. Brand Merchandising recognises the value of the goodwill associated with the Licensed Marks and acknowledges that the Licensed Marks and all rights therein and the goodwill pertaining thereto, belong exclusively to K&K [...]

5.2 Withdraw of any Conflicting Applications and Oppositions.

Immediately upon the execution of the Agreement, Brand Merchandising agrees to (i) withdraw any trademark applications it has made for the marks EVEL KNIEVEL and/or KNIEVEL in the United Kingdom [...]; (ii) not assist any third party with any other applications for the marks EVEL KNIEVEL and/or KNIEVEL in the United Kingdom [...]; (iii) not oppose and withdraw any oppositions filed by it to the applications filed by K&K for the marks EVEL KNIEVEL and/or KNIEVEL in the United Kingdom [...]; (iv) not to assist with any oppositions filed by any third party to the applications filed by K&K for the marks EVEL KNIEVEL and/or KNIEVEL in the United Kingdom [...].”

- Brand Merchandising's predecessor in interest, A Basic Box Ltd approached K&K as early as 2006 with a view to obtaining a licence agreement for use of the contested marks. Correspondence from 2006 and 2008 regarding these discussions is provided in Exhibit KK7 to Kelly Knievel's statement;
- K&K's application 2523667 KNIEVEL claims International Convention priority in respect of *t-shirts* from US trade mark application no. 77/670,610. It was filed on 13 February 2009 and was registered under registration no. 366672. A certified copy of the priority documents is provided at Exhibit KK8 to Kelly Knievel's statement;
- K&K's activities in the UK include the marks relied upon being used in respect of books, videos and DVDs and the licensing in respect of toys, clothing, costumes, entertainment exhibitions, gaming machines, videotapes and DVDs, books, trading cards, decals, photographic and pictorial prints;
- Examples of use in the UK are provided at Exhibit KK9 to Kelly Knievel's statement and includes:
 - An “officially licensed Evel Knievel Rip Pull” mini stunt bike toy for sale at £9.95 at www.firefox.com. The extract was printed on 9 November 2009;
 - An undated photograph of a t-shirt with a neck label reading “KNIEVEL™ K and K Promotions, Inc”
 - Pages from EVEL KNIEVEL.COM, described as “the Evel Knievel Worldwide Community”
 - Numerous photographs of books, DVD covers and t-shirts. Evel Knievel himself signing books, a comic cover and a card game. There is no indication whether these exhibits relate to use of the marks in the UK or elsewhere. There are no date indications;

- In June 2008, use of the KNIEVEL name and replica memorabilia was authorised in respect of use at a RED BULL “Flug Tag” event in Hyde Park, London. Photographs of this event are provided at Exhibit KK10 to Kelly Knievel’s statement, showing a flying contraption decorated in EVEL KNIEVEL livery;
- The KNIEVEL brand allegedly remains well known in the UK. Exhibit KK11 to Kelly Knievel’s statement are provided to demonstrate this and include:
 - An article that appeared on the website MailOnline where the stuntmen, Jamie Edgell, identifies his hero as being Evel Knievel and how, when he was six, he saw the film “Viva Knievel” and begged [his] mum to buy the wind-up stunt cycle toy;
 - An extract from the BBC website providing details of a programme entitled “Richard Hammond Meets Evel Knievel” and describes how Mr Hammond met him just weeks before he died in 2007 and describes him as “his childhood hero”. The article also describes Evel Knievel as “the legendary stuntman”;
 - Extracts from the online auction site, EBay, showing two Evel Knievel stunt cycle toys for sale with a pound sterling price. One is described as a vintage 1970s and the other as “evel knievel stunt cycle and rider 2006”;
 - Numerous books about Evel Knievel available on the website Amazon.co.uk. The extract is undated;
 - An extract from an unknown website, but carrying the copyright notice “Copyright 2Hr-Slots.co.uk”, describing an “Evel Knievel 5-Reel, 20-Payline Video Slot” slot machine game;
 - An extract from the BBC website reporting Evel Knievel’s death at the age of 69 (he died on 30 November 2007);
- Licensing enquiries from the UK are handled exclusively by K&K and it has an online enquiry form accessible through the official EvelKnievel.com website. This website has been accessible in the UK since about 1996. Copies of enquiry emails are provided at Exhibit KK12 to Kelly Knievel’s statement and shows a number of UK companies enquiring about licensing the name for use on t-shirts and other clothing and “native application rights for iPhone and iPod Touch”. These are dated from 2008 and 2009;
- Annual sales of the various goods and services provided under the marks KNIEVEL and EVEL KNIEVEL over the last five years “is in the hundreds of thousands of pounds” with about 20% being derived from the UK;

DECISION

Section 3(6)

15) I find it convenient to begin by considering K&K's grounds of opposition based upon Section 3(6) of the Act. This part of the Act reads as follows:

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

16) In terms of the date at which the matter falls to be considered, it is well established that the relevant date for consideration of a bad faith claim is the application filing date (*Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07 paragraph 35), in this case 19 March 2009 in respect of both of Big Sky's applications.

17) 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 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.”

18) In *Harrison v. Teton Valley Trading Co* [2005] FSR 10, the Court of Appeal confirmed that bad faith is to be judged according to the combined test set out by the House of Lords in *Twinsectra v Yardley* [2002] 2 AC 164. Paragraphs 25 and 26 of the Court of Appeal decision are of particular assistance and read as follows:

“25. Lord Hutton went on to conclude that the true test for dishonesty was the combined test. He said:

“36. Therefore I consider that your Lordships should state that dishonesty requires knowledge by the defendant that what he was doing would be regarded as dishonest by honest people, although he should not escape a finding of dishonesty because he sets his own standards of honesty and does not regard as

dishonest what he knows would offend the normally accepted standards of honest conduct.”

26. For my part, I would accept the reasoning of Lord Hutton as applying to considerations of bad faith. The words “bad faith” suggest a mental state. Clearly when considering the question of whether an application to register is made in bad faith all the circumstances will be relevant. However the court must decide whether the knowledge of the applicant was such that his decision to apply for registration would be regarded as in bad faith by persons adopting proper standards.”

19) The Privy Council considered earlier authorities in *Barlow Clowes International Ltd (in liquidation) & Others v Eurotrust International Limited & Others*, [2005] UKPC 37. In particular, their Lordships considered a submission from Counsel that an inquiry into the defendant’s views about standards of honesty is required. The majority of their Lordships were also in agreement with Lord Hutton’s comments in *Twinsectra*. They then went on to state:

“15. Their Lordships accept that there is an element of ambiguity in these remarks which may have encouraged a belief, expressed in some academic writing, that *Twinsectra* had departed from the law as previously understood and invited inquiry not merely into the defendant’s mental state about the nature of the transaction in which he was participating but also into his views about generally acceptable standards of honesty. But they do not consider that this is what Lord Hutton meant. The reference to “what he knows would offend normally accepted standards of honest conduct” meant only that his knowledge of the transaction had to be such as to render his participation contrary to normally acceptable standards of honest conduct. It did not require that he should have had reflections about what those normally acceptable standards were.

16. Similarly in the speech of Lord Hoffmann, the statement (in paragraph 20) that a dishonest state of mind meant “consciousness that one is transgressing ordinary standards of honest behaviour” was in their Lordships’ view, intended to require consciousness of those elements of the transaction which make participation transgress ordinary standards of honest behaviour. It did not also require him to have thought about what those standards were.”

20) On the basis of these authorities, it is clear that a finding of bad faith may be made in circumstances which do not involve actual dishonesty. Furthermore, it is not necessary for me to reach a view on the applicant’s state of mind regarding the transaction if I am satisfied that their action in applying for the mark in the light of all the surrounding circumstances would have been considered contrary to normally accepted standards of honest conduct. Thus, in considering the

actions of Big Sky, the test is a combination of the subjective and objective. Furthermore, it is clear that bad faith, in addition to dishonesty, may include business dealings which fall short of the standards of acceptable commercial behaviour i.e. unacceptable or reckless behaviour in a particular business context and on a particular set of facts.

21) In summary, K&K's submissions are that it has worldwide rights to the intellectual property in the contested marks and that Big Sky filed its applications in bad faith because it did so in the full knowledge that K&K had such rights. I have some problem in accepting the first part of this submission. The assignment agreement, presented as evidence that K&K was the proprietor of such rights, assigned all trade marks including EVEL and EVEL KNIEVEL, but there is no evidence before me that there was or has been at any time, any such trade marks registrations valid in the UK. Only registered trade marks can be assigned and it follows that the assignment agreement could not, and did not, include the assignment of any trade marks that were or are valid in the UK. It could be that the intention of the agreement was to assign goodwill as identified by certain marks, but this is unclear on a reading of the agreement.

22) The agreement was affected in the US, it makes no mention of the scope of the rights assigned and whilst its recitals state an intention that Evel Knievel wished to "further develop and exploit his persona [...] including developing trademark and service mark rights", the text relating to "registrations" only states that K&K would secure trade mark and service mark registrations at the United States Patent and Trademark Office.

23) Having made these observations and concluding that these weaken this limb of K&K's case, I must still consider the behaviour of Big Fish and ascertain whether its actions were such as to amount to bad faith, despite K&K's lack of registered rights in the UK and the impact this has upon the interpretation of K&K's assignment agreement. In considering Big Fish's behaviour, I take account that Big Sky's own representatives clearly had knowledge that K&K had intentions to exploit its trade marks in the UK as evidenced by the negotiations between K&K and Brand Merchandising that took place before the filing of the contested application. Further, as Robbie Knievel is a beneficiary of K&K's assignment agreement, I would find it extraordinary if he was not fully aware of how K&K intended to develop the KNIEVEL brand, including its attempts to extend its activities in the UK through, at least, a licence agreement with Brand Merchandising.

24) Further evidence in the form of email enquiries to K&K from companies in the UK about licensing the KNIEVEL marks provides further support for K&K's submission that it has intentions to expand its activities in the UK.

25) K&K's claim to priority that predated Big Sky's applications was unknown to Big Sky at the time it made its applications (as K&K was yet to make such a

claim). In the absence of K&K having recorded rights in the UK at the time Big Sky applied for its marks, I note the following comments of the Hearing Officer in *Hankook trade mark*, BL O/521/01 in considering the impact this may have:

“In considering the issue of ownership of a trade mark in a third country it is necessary to be circumspect. If any person in a third country could claim successfully that an application was made in bad faith simply because it consisted of his trade mark or was similar to his trade mark the long established geographical limitations of trade mark rights would be thrown into confusion.”

26) I fully agree with the cautionary comment. Bad faith is not a carte blanche to enjoy trade mark rights across national boundaries. Nevertheless, I must consider Big Sky’s actions in the context of all the relevant facts of the case.

27) I also note that in *DAAWAT trade mark*, [2002] RPC 12, the Hearing Officer posed three questions when facing similar considerations:

“21. In order to make out a prima facie case of bad faith in this case the applicant must show that the registered proprietor:

a) had knowledge of the applicant’s use of the mark DAAWAT in India prior to the date of its application for the registration of the same mark in the UK;

b) had reasonable grounds to believe that the applicant intended to enter the UK market for rice under that DAAWAT mark;

c) applied to register the mark DAAWAT in order to take unfair advantage of the applicant’s knowledge of the registered proprietor’s plans.”

28) Whilst not bound by the approach of a fellow Hearing Officer, this appears to be a sensible approach to follow. In the current circumstances, it is self evident from Robbie Knievel’s involvement as a beneficiary of K&K’s activities that he, and therefore Big Sky, had knowledge of K&K’s use of the marks KNIEVEL and EVEL KNIEVEL in at least the USA and, further, he would have also known of K&K’s efforts to extend its activities in the UK. At the very least, this is because Robbie Knievel would have been aware that Big Sky’s representative in these proceedings, Brand Merchandising, had been in detailed negotiations for just such a licence. Further, as detailed above, there is also clear evidence that K&K was fielding enquiries from third parties, to licence its marks for use in the UK. Whilst Robbie Knievel may not have been aware of the specific enquiries, this is further evidence of K&K’s proactive efforts to expand its activities in the UK, the general thrust of which Robbie Knievel is likely to have been aware.

29) Therefore, at the relevant date of 19 March 2009, K&K had a clear intention to expand its activities relating to the marks KNIEVEL and EVEL KNIEVEL in the UK. For the reasons discussed above, it is equally clear that Big Sky was aware of this. It follows that, by making its applications, Big Sky was intending to get a jump on K&K's plans to expand its activities into the UK.

30) Such a finding is consistent with the guidance of CJEU in *chocoladenfabriken Lindt & Sprungli AG v Franz Hauswirth GmbH* where it stated that, when determining if the applicant is acting in bad faith it is necessary to take into consideration all relevant factors "specific to the particular case which pertained at the time of filing the application".

31) In its counterstatement, Big Sky also relied upon Robbie Knieval's right to use his own surname. I note this claim, but an "own name defence" is only relevant in infringement proceedings and such a claim does not influence the issue of the registration of a mark. Consequently, such an argument does not provide a defence for Big Sky. Further, in light of Robbie Knieval's knowledge of K&K's activities, plans and aims and its function as a vehicle to recompense the Knieval family (of which he is one) in respect to the exploitation of the EVEL KNIEVEL intellectual property, he cannot have believed that he had a superior or equal right, to K&K, in the marks applied for.

32) Having regard for all of the above, I find that the actions of Big Sky, in applying for its marks, amounts to behaviour that clearly falls short of what would be expected in ordinary commercial affairs. Robbie Knieval is one of six Knieval family members benefiting from the trading activities of K&K and the attempt to register its applications is an effort by Robbie Knieval to obtain a greater commercial benefit for himself than he was otherwise entitled to as a beneficiary of K&K's activities. Therefore, I conclude that the applications were made in bad faith and the oppositions, insofar as they are based upon Section 3(6) of the Act are successful in their entirety.

Other grounds of opposition relied upon by either party

33) In light of my findings in respect of K&K's grounds of opposition based upon Section 3(6) of the Act, Big Sky's applications are refused in their entirety. Consequently, it is not necessary for me to consider the outstanding grounds. Further, as Big Sky's earlier marks are to be refused, it has no earlier rights to rely upon in its counter-oppositions to K&K's marks. Consequently, these oppositions must fail.

COSTS

34) K&K's opposition having been successful and with Big Sky's counter-oppositions falling away as a result, K&K is entitled to a contribution towards its

costs. I take account of the fact that no hearing has taken place but that it did file evidence. I award costs on the following basis:

Official fees (for 2 TM7s)	£400
Preparing four statements & considering Big Sky's Notice of Oppositions and its statements	£800
Preparing and filing evidence	£1200
TOTAL	£2400

35) I order Big Sky Promotions to pay K and K Promotions, Inc. the sum of £2400. 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 28th day of March 2012

**Mark Bryant
For the Registrar,
the Comptroller-General**