

O/229/12

TRADE MARKS ACT 1994

**APPLICATIONS 83083-86 & 83353 BY BRANDCONCERN B.V.
TO REVOKE TRADE MARK REGISTRATIONS 831769, 874581, 2107935,
2122788 and 2134922**

**IN THE NAME OF SCOOTERS INDIA LIMITED
BECAUSE OF NON-USE**

Background and Matters in Dispute

1. These consolidated proceedings concern five applications by Brandconcern BV (“Brandconcern”) to revoke five registrations for the trade mark LAMBRETTA in the name of Scooters India Limited (“Scooters”).

2. The five trade marks are numbers 831769 (‘769), 874581 (‘581), 2107935 (‘935), 2122788 (‘788) and 2134922 (‘922). The ‘769 mark was registered in 1963 for ‘motor vehicles’. The ‘581 mark was registered in 1968 for the following list of goods, which I note includes parts and fittings for motor vans and cycles:

Motor cars, motor vans and cycles; and parts and fittings therefor included in Class 12.

3. The other three marks were registered much later. The ‘935 mark was registered on 12 May 2000 for:

Class 18:

Articles of luggage, bags, handbags, holdalls, rucksacks, purses and wallets.

Class 25:

Clothing, footwear and headgear, all for leisure wear.

4. The ‘788 mark was registered on 21 June 2000 for:

Class 09:

Spectacles, spectacle cases and pouches, glasses, sunglasses, spectacle frames, chains and straps for glasses and sunglasses, monacles, binoculars and telescopes; parts and fittings for all the aforesaid goods.

Class 14:

Watches, horological and chronometric instruments, jewellery; parts and fittings for all the aforesaid goods.

5. The ‘922 mark was registered on 21 September 2001 for:

Class 09:

Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; spectacles, spectacle cases and pouches; sun glasses; monacles; binoculars and telescopes; apparatus and instruments for receiving, recording, transmission and/or reproduction of sound and/or images; electric and electronic apparatus, all for receiving, processing, transmitting, storing, relaying, inputting and outputting of data;

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; parts and fittings for all the aforesaid goods.

Class 14:

Goods in precious metals or coated therewith, not included in other classes; jewellery; pins, badges, lapel pins, earrings, bracelets, cufflinks, tie tacks, buttons, rings; models in precious metals; precious stones; horological and chronometric instruments; parts and fittings for all the aforesaid goods.

Class 18:

Leather and imitations of leather and goods made of these materials and not included in other classes; animals skins, hides; trunks, bags and rucksacks; boxes; cases; valises; purses; wallets; belts; key fobs; key cases; pouches; straps; satchels; umbrellas, parasols and walking sticks; whips, harness and saddlery; parts and fittings for all the aforesaid goods.

Class 25:

Articles of clothing; headgear; footwear; parts and fittings for all the aforesaid goods.

6. The '922 mark covers all the goods covered by the earlier '935 and '788 registrations, and many more besides.

7. Brandconcern filed four applications on 19 November 2007 to revoke the '769, '935, '788 and '922 registrations. The fifth application to revoke the '581 mark was filed later, on 9 October 2008.

8. Brandconcern claims that the LAMBRETTA mark was not put to genuine use in the UK by Scooters, or with its consent, in the five year period 1 November 2002 to 31 October 2007 ("the relevant period"). Brandconcern therefore asks for all of the registrations to be revoked for non-use with effect from 1 November 2007. In this connection, Brandconcern claims that the LAMBRETTA mark had not been used for decades until Scooters licensed it to Fine White Line Limited ("FWL") on 1 April 2006. Thereafter there may have been some use in relation to goods falling in classes 14 and 25, but otherwise the trade mark remained unused.

9. Scooters filed counterstatements in which it:

- i) Admitted exclusively licensing the LAMBRETTA registrations to FWL on 1 April 2006 for a period of 15 years, but claimed that earlier licences to FWL had been in force since at least 1997.

- ii) Claimed that there had been genuine use of the trade mark in relation to parts and fittings for scooters, which is sufficient to maintain a registration for motor vehicles.
- iii) With regard to the '769 mark (only), claimed that there had been active preparations to re-commence use of the mark in relation to "*vehicles*" in the 3 months preceding the filing of the application for revocation (on 19 November 2007) and Scooters therefore has a defence to non-use under s.46(3) of the Act.
- iv) Claimed that the mark was used with its consent in relation to "*a variety of goods*" in classes 18 and 25 and also goods in classes 9 and 14.
- v) Questioned why Brandconcern applied for revocation in classes 14 and 25 whilst seeming to admit that there has been use of the mark for goods in those classes.

10. Both sides seek an award of costs.

11. The parties have been heard in relation to a number of procedural disputes that have hindered the progress of these proceedings (to which I return below), but neither side wished to be heard in relation to the substantive matters in dispute. I have, however, had the benefit of written submissions dated 29 February 2012 from Mr Walter Scheffrahn on behalf of Brandconcern, and from Mr Benet Brandreth, instructed by Boulton Wade Tennant, on behalf of Scooters. The latter were received on 28 March 2012, i.e. four weeks after receiving Mr Scheffrahn's detailed critique of Scooters' evidence. This critique was based on a decision by the First Board of Appeal at OHIM in connection with a parallel application to revoke a Community trade mark consisting of the word LAMBRETTA in classes 3, 12 and 18, also on grounds of non-use. That decision, dated 1 December 2011, addressed similar evidence to that filed on behalf of Scooters in these proceedings. No application has been made by Scooters to file any additional evidence. Rather it is apparent from the submissions received on behalf of Scooters that the UK registrations are partly defended on the basis of evidence filed in 2008. The '769 mark is defended for 'land vehicles' (which is all it covers). The other registrations are defended only to the following extent.

874581	Motor cycles; and parts and fittings therefor included in class 12.
2107935	Class 18: Articles of luggage, bags, handbags Class 25: Clothing, footwear and headgear, all

	for leisurewear.
2122788	Class 9: Sunglasses. Class 14: Watches, jewellery; parts and fittings for all the aforesaid goods.
2134922	Class 9: Sunglasses. Class 14: Goods in precious metals or coated therewith, not included in other classes; jewellery, badges, bracelets, buttons, rings; watches; parts and fittings for all the aforesaid goods. Class 18: Leather and imitations of leather and goods made of these materials and not included in other classes; bags, boxes, key fobs, key cases; pouches; satchels; parts and fittings for all the aforesaid goods. Class 25: Articles of clothing; headgear; footwear; parts and fittings for all the aforesaid goods.

The Facts

12. Scooters filed evidence in four witness statements dated 25 February 2008 by Steven David Wilch, who is the Finance Director of FWL and before that was the external Accountant and (from 1 May 2006) the internal financial advisor of FWL and Derry Kunman Limited, the latter of which, says Mr Wilch, was the previous exclusive licensee of Scooters.

Class 12

13. I will take the evidence of use for each class in turn, starting with class 12. Mr Wilch provided a statement giving evidence as to the use of the LAMBRETTA mark in relation to goods falling in this class. Mr Wilch provides¹ copies of trade mark licensing agreements between Scooters and FWL dated 28 January 2005 and 8 September 2006. According to these agreements they had effect from the earlier dates of 1 April 2001 and 1 April 2006, respectively. The 2005 agreement gives FWL the right to appoint “*distributors/agents and manufacturers*” for that purpose.

¹ See exhibit SDW1

14. The agreements licence the LAMBRETTA mark to FWL in the EU in respect of:

Class 9	Eyewear
Class 12	Land Vehicles
Class 14	Watches - Jewellery, Badges, Pins, Keyrings etc.
Class 18	Luggage, Leather goods - wallets/purses
Class 25	Footwear, Underwear, Clothing

They also cover goods in other classes that are irrelevant for present purposes.

15. Clause 2 of the 2005 agreement requires FWL to use the mark *“only upon or in relation to the Goods manufactured and packed by or for FWL in accordance with reasonable standards and specifications...as from time to time, may be communicated or approved by [Scooters] and shall not be used upon or in relation to any goods other than the Goods so manufactured and packed”*.

16. The 2006 agreement gives FWL the right to sub-licence the mark.

17. The LAMBRETTA mark was also registered on 8 December 2000 in classes 16 and 26 by the Lambretta Club of Great Britain (“Club”) under number 2124446. The registration was assigned to Mr Derry Kunman on 27 December 2000². This is not directly relevant, but I mention it because the evidence includes a copy of a letter dated 21 February 2008³ addressed to Club from Derry Kunman and FWL. This letter includes (retrospective) confirmation from Mr Kunman that he consented to the continued use of LAMBRETTA *“in respect of the activities carried on by the club, including the sale of goods covered by the registration”*, i.e. Club’s use of LAMBRETTA after the assignment of 2124446 in 2000 for the goods for which it is registered in classes 16 and 26. The letter also included confirmation from FWL that *“it has also consented to [Club’s] use of the mark throughout the term of its licence from the owner of the trade mark [Scooters] including in relation to the sale of spare parts for LAMBRETTA scooters.”*

18. According to Mr Wilch, pages from the internet show members of, or persons authorised by, Club using the mark in relation to parts for Lambretta scooters⁴. The associated pages show use of the mark Cambridge Lambretta Workshops and some use of Cambridge Lambretta in relation to parts, which

² See exhibit SDW2

³ See exhibit SDW3

⁴ See exhibit SDW5.

judging from the content of the pages probably date from 2005-2007. There is nothing on the pages to indicate that the use of LAMBRETTA (as part of Cambridge Lambretta) is authorised by Club.

19. Mr Wilch is not connected with Club and he does not say how he knows that Club authorised the use in question. Consequently, his evidence on this point is merely assertion. Even if Cambridge Lambretta is a member of Club, it would be surprising if an owners' club was in any position to "authorise" (or prohibit) its members to use (or from using) the mark of the undertaking responsible for the vehicles of which they are owners. I therefore reject the claim that Club authorised the use shown by Cambridge Lambretta.

20. Further, even if the use by Cambridge Lambretta was authorised by Club and qualifies as use of the registered mark LAMBRETTA for scooter parts, this evidence is irrelevant because:

- i) FWL was only licensed to use the mark, or sub-license others to use the mark, for land vehicles (not parts for land vehicles). There is no evidence that Scooters consented in any other way to FWL using, or authorising others to use, the mark for parts for vehicles. Therefore FWL was in no position to consent to the use of LAMBRETTA by anyone else in relation to vehicle parts.
- ii) The authorisation claimed to have been given to Club is only shown to have been given in 2008, after these proceedings were started. Mr Wilch's claim that this was confirmation of an agreement in 2000 between FWL and Club is merely assertion. There is no particularisation of the terms of the agreement, whether it was written down or, if not, who verbally agreed what with whom. Further, FWL was not a licensee of Scooters in 2000 and so could not have given Scooters' consent to use by Club at that time. Further still, FWL was obliged under the 2005 licence agreement to ensure that any goods sold under the licence met Scooters' quality specification, but there is no explanation of how this was applied to Club's supposedly authorised use. The 2008 letter therefore appears to be a blatant and clumsy attempt to retrospectively endow Club with legal consent to use the mark LAMBRETTA in relation to scooter parts. That is insufficient to show that any use authorised by Club was with Scooters' consent (via FWL) at the time it occurred.

21. It is submitted on behalf of Scooters that Mr Wilch's evidence about the above use being authorised ought to be accepted because it is unchallenged. I reject that submission. As has been made clear in decisions of the Appointed

Persons⁵ and of the higher courts⁶, a tribunal is not required to accept evidence that is merely assertion, without critical analysis, simply because it is not been formally challenged. To the extent that Mr Wilch's evidence is anything more than mere assertion, it is based on the content of a self serving letter that attempts to cloak Club's use of its own marks with FWL's (and, by inference, Scooters) retrospective consent. This is clearly of no evidential value.

22. Mr Wilch also gives evidence that FWL was making preparations to recommence use of the mark LAMBRETTA for scooters, electric bicycles and bicycles from "at least 2005"⁷. I accept that preparations to use the mark in relation to scooters and electric bicycles were underway prior to 31 October 2007. However, for the reasons given below this is legally irrelevant. The simple fact is that there is no use, or even claimed use, of the mark LAMBRETTA in relation to vehicles during the relevant period or at any time thereafter.

Classes 18 and 25

23. Mr Wilch's second statement gives evidence as to the use of the LAMBRETTA trade mark in relation to goods falling in classes 18 and 25. I note at this point that the preamble to the 2005 licence agreement between Scooters and FWL states that:

"Derry Kunman used to trade through his limited company Derry Kunman Limited"

and that;

"SIL [Scooters] and DKL [Derry Kunman Limited] had entered into a Licensing Agreement dated 12th June 1998 permitting DKL to use the Trademark in respect of goods in Class 25. The said Licensing Agreement was superseded by a Licensing Agreement dated 18 September 2001 between SIL and FWL which is now superseded by the present agreement which permits FWL to use the Trademark in respect of goods in Classes 3,9,12,14,18,25 and 26.....".

24. This is not entirely clear. It does not say that FWL was licensed to use the trade mark from 18 September 2001 for anything other than those goods in

⁵ See *Williams and Williams v. Canaries Seaschool SLU (CLUB SAIL)* [2010] RPC 32 at paragraph 38 and *Advanced Perimeter Systems Limited v KeyCorp Limited* BL 0/410/11, at paragraph 20.

⁶ *Fairchild v. Glenhaven Funeral Services Ltd* [2002] UKHL 22; [2003] 1 AC 32 (HL) at paragraph 13.

⁷ See exhibit SDW6.

class 25 covered by the 1998 licence. By contrast, it makes it clear that 2005 agreement covers a wider range of goods. I infer from this that 2001 agreement had the same scope as the 1998 agreement (neither of which are in evidence).

25. I note that clause 17 of the 2005 licence agreement states that:

“The rights granted under this Agreement shall not in any event be transferable except that such rights may be transferred between FWL and Derry Kunman personally and his associates or related persons.”

This implies that Scooters regarded FWL and Mr Kunman personally as different, but that one was regarded as an extension of the other.

26. Mr Wilch says that FWL sub-licensed the trade mark to Lambretta Clothing Limited (“LCL”) “*as well as a number of other parties*”. No other party is named. The sub-licence agreement with LCL is in evidence⁸. It is dated 17 March 2006 and came into force on 1 April 2006 for a three year term. The agreement purports to be made under a licence agreement between Scooters and FWL “*dated 1 April 2001*”. There is no other mention of a licence made on this date and it therefore seems likely that it is in fact referring to the licence agreement dated 28 January 2005, which purports to have an effective date of 1 April 2001. The sub-licence covers the territory of the European Union⁹ and therefore applies to the United Kingdom. The trade mark that is the subject of the sub-licence is poorly defined. The relevant clause is set out below.

“the Trade Mark including the registration in the Territories set out in Part 1 of Schedule 1 and the Trade Marks, devices and get-ups owned by the licensor which are to be used under this agreement and which are set out in Part 2 of Schedule 2”.

27. Part 2 of Schedule 1 includes two “*Examples*” of the trade mark, which are both stylised versions of LAMBRETTA. However, the Community trade mark listed in Part 1 of Schedule 1 is a word only mark so it seems likely that the intention was to sub-licence LAMBRETTA in both word and stylised forms, but that the agreement was poorly drafted. I therefore accept that any use of the word LAMBRETTA which otherwise satisfies the licence agreement is likely to have been with the consent of FWL (and therefore Scooters), whether or not such use was strictly covered by the terms of the sub-licence agreement. The sub-licence covers the following goods.

⁸ See SDW8

⁹ Which is defined in Part 1 of Schedule 1 to the agreement by reference to the geographical scope of a number of trade mark registrations, one of which (E1495100) covers the EU.

“Clothing, excluding clothing and accessories pertaining to goods in class 12 to which the Lambretta name is applied including the following:-

Headwear, Underwear, Nightwear, Socks, Belts, Travelbags, Luggage, Wallets, Purses and related personal accessory leather goods”.

28. It is not clear what (if anything) “*excluding clothing and accessories pertaining to goods in class 12*” means. The most likely effect is to exclude goods adapted for use with vehicles, such as motorcycle jackets.

29. Mr Wilch provides¹⁰ examples of the trade mark in use “*in respect of goods in classes 18 and 25 by FWL and their licensees*”. These are drawn from pages from the internet. The first consists of a page from GMTV’s web site that was downloaded on 25 February 2008 (i.e. after the relevant period and after the date of the applications for revocation). It includes part of an article entitled ‘Summer man’. Beneath the article is an advertisement for clothes and bags which includes a reference to “*Dark yellow pocketed shorts – Lambretta*” and “*Brown bag - Lambretta*”. The article is shown as “*Last updated: 11 July 2006*” (within the relevant period), but it is not clear whether the advertisement was first placed at the date of the adjacent article was created or added later. I note that the copyright notice at the end of page 2 of the two page extract is dated 2008, which is not consistent with the whole of both pages having been created in 2006.

30. There are also seven pages from the web site of the Lambretta Club of Great Britain from 2003, which have been obtained from a web archive search. These show the use of Club’s name, or the name ‘British Lambretta Owners Association’, in relation to the sale of T-shirts, baseball caps, polo shirts and fleeces. I find that the use of these names shows no use of the registered mark with Scooters’ consent. This is because:

- i) The use shown is not of the mark LAMBRETТА, but of ‘Lambretta Club or Great Britain’ and ‘British Lambretta Owners Association’, both of which are liable to be taken as marks which identify Lambretta scooters owners’ clubs rather than marks which identify the undertaking responsible for LAMBRETТА goods .
- ii) The letter of consent dated 21 February 2008 (i.e. after the date of the applications for revocation) is insufficient to establish that the use shown was with Scooters’ consent for the reasons given in paragraph 20(ii) above.

¹⁰ As exhibit SDW9

31. The next extract is from 'huckleberry's mens' and is dated 15 February 2008, again after the relevant period. However, under the heading 'Categories' there is a reference to 'Lambretta Clothing' and 'Lambretta Summer 2007', indicating that a range of LAMBRETТА clothing was available at that time.

32. The next set of pages comes from a web archive search showing LCL's web site in 2007. They show the LAMBRETТА mark used in relation to shops in London, Manchester and Leeds, and in relation to a range of clothes. The products shown are t-shirts, hoodies, jeans, skirts, dresses, coats, jackets, sweatshirts and macs. The pages contain no prices for the goods shown either. However, as the products appear on pages from a UK web site, I am prepared to infer that those products were available to the UK public from the shops listed on the home page. Only one of the pages is definitely dated in the relevant period (19 April 2007). The other pages are dated only "07". They show the Autumn/Winter range of LAMBRETТА products and so could be dated after the end of the relevant period on 31 October 2007. However, as it has been shown that the Lambretta web site existed in April 2007, that there was also a Summer 2007 range (see paragraph 31 above), and as an Autumn/Winter range of clothing would normally be first promoted before 31 October in the year in question¹¹, I find that this is use of LAMBRETТА within the relevant period in relation to the products listed earlier in this paragraph.

33. I note that the home page of LCL's web site states that the range of products includes footwear. However, I also note that one of the links accessible from the homepage is 'Products'. This is where the pages described above, showing individual products, must have come from. It would have been straightforward to also include the pages showing footwear, if they existed. In these circumstances I am not prepared to accept that the mark was being used by LCL in the UK in relation to footwear during the relevant period.

34. The next extract is from the web site of storm-leisure.co.uk. It consists of an advertisement for Original Shoe Co in Aberdeen. LAMBRETТА is listed under 'top brands for women'. The web page is dated 18 February 2008 (i.e. after the end of the relevant period and the applications for revocation), but it is pointed out on behalf of Scooter that a copyright claim of 2004 is shown against the company name, Storm Leisure Limited, at the top of the first page.

¹¹ I have noticed that another page mentions a forthcoming promotion of the "new" Autumn/Winter range in Barcelona early in 2008. However, I do not consider that means that the Autumn/Winter collection was not available in the UK prior to 31 October 2007.

35. The next extract is from ciao.co.uk. It is a September 2003 review of the River Island shop in Lincoln. The reviewer, a member of the public, identified only as 'zavid', enthuses about the shop's range of footwear, which she notes includes "*kickers to lambretta*". This is hearsay evidence. It is admissible, but I must assess the weight that can be attached to it in accordance with its standing. Mr Wilch's evidence is that this (together with all the other uses shown in the web pages) is use "*by or with the consent of my company as exclusive licensee*".

36. Finally, there are copies of invoices¹² which Mr Wilch says show sales of goods in classes 18 and 25 by FWL and its licensees within the relevant period. The first one is from LCL, but is dated February 2008 (after the end of the relevant period). The next 14 are dated between 25 November 2002 and 21 November 2007, but none carry the trade mark and it is not possible to tell who they are from. It is submitted on behalf of Scooters that something can be gleaned from the words "from Lambretta" which appear at the top of some of these invoices. However, there is a date of 25 February 2008 against these words indicating that the words "from Lambretta" describe the origin of the facsimile transmission of the documents in 2008, not necessarily the origin of the invoices at the dates that they were issued. Further, although the colours of the goods are stated, only product codes are used to describe the goods in question and these are not explained in Mr Wilch's evidence. Consequently, there is only Mr Wilch's assertion that they relate to goods in classes 18 and 25. He does not say anything more about the particular types of goods covered by these invoices.

37. There are also copies of five invoices from Lambretta Licensing, which is described as the trading name of Derry Kunman. I remind myself that Derry Kunman Limited was the previous exclusive licensee of Scooters' mark in class 25. It is not clear which products these invoices are for. This is particularly problematic because, as Mr Wilch points out, Mr Kunman is the owner of the mark LAMBRETТА in classes 16 and 26.

38. The other two invoices from Lambretta Licensing are dated 5 February 2003 and 21 May 2004. Unlike the later invoices, the goods can be discerned from their descriptions. They are for around £2k of shoes. One of the two customers was based in the Republic of Ireland and there is no evidence that the LAMBRETТА trade mark was affixed to the exported goods or their packaging, so the other invoice (amounting to 67 pairs of shoes costing £1763) is more relevant. It is addressed to G.U.S. Home Shopping in Manchester. On the basis of Mr Wilch's evidence, I am prepared to accept that this represents a sale under the LAMBRETТА mark in relation to footwear

¹² See SDW10

in the UK and within the relevant period. Given Mr Kunman's close connection with FWL and the evidence from the 2005 agreement that he "*used to trade as Derry Kunman Limited*" (the previous licensee in class 25) and taking into account that Scooters appears to have treated Mr Kunman as an extension of FWL for some purposes (see paragraph 25 above), I am prepared to accept Mr Wilch's evidence that this use of LAMBRETТА was authorised by FWL under the agreement dated 18 September 2001 and/or was made with the consent of Scooters.

39. In the light of the invoice evidence, I find that the evidence about the use of LAMBRETТА by The Original Shoe Co in Aberdeen and by River Island, which was inconclusive on its own, is probably further evidence of use of the mark in relation to footwear in the period 2003-4, probably through Mr Kunman with FWL's and/or Scooters' consent.

40. I find that no use has been shown of the mark LAMBRETТА within the relevant period in relation to any goods in class 18, or in relation to underwear in class 25.

Classes 9 and 14

41. Mr Wilch's third statement describes the use made of the LAMBRETТА mark by FWL and two sub-licensees. Copies of two sub-licences are in evidence¹³. The first is dated 3 April 2006 and is between FWL and Capella Industries AB, a Swedish company. The sub-licence covers the LAMBRETТА trade mark in the EU (and hence covers the UK) for watches and jewellery in class 14.

42. The second sub-licence is between FWL and Optoplast Manufacturing Company Limited, an English company based in Liverpool. Oddly although the copy in evidence is signed by both parties, it is dated only "June 2007", i.e. there is no day. This agreement covers the use of the LAMBRETТА trade mark in the UK for 'eyewear and eyewear accessories'. I note that the second description of goods appears inconsistent with the scope of FWL's own licences from Scooters, which covers eyewear, but not eyewear accessories, although nothing seems to turn on this point.

43. Mr Wilch provides¹⁴ "*examples of the use of the LAMBRETТА trade mark in relation to goods in classes 9 and 14 by or with the consent of [FWL] as exclusive licensee*". These include a copy of a press release from Capella Industries AB, apparently trading as Lambretta Watches, announcing the

¹³ See exhibit SDW12.

¹⁴ As exhibit SDW13.

introduction on 15 November 2002 (within the relevant period) of a Luna limited edition of 300 LAMBRETTA watches. The promotion is aimed at buyers in the UK, Sweden and Italy. Another press release from around the same time states that LAMBRETTA was, according to Superbrands, one of the most sought after fashion labels in the UK. According to this release, Lambretta watches were available at 600 retail outlets in the UK, including “*House of Fraiser*” (sic).

44. According to a later press release, Lambretta Watches launched a range of LAMBRETTA jewellery in March 2006 at a trade fair in Basel.

45. Mr Wilch provides¹⁵ examples of web pages showing LAMBRETTA watches and jewellery sold by Capella Industries AB. These pages date from February 2008 (after the relevant period) and show a range of watches and jewellery items. Mr Wilch also provides¹⁶ copies of 9 invoices which he says are for “...sales of goods in classes 9 and 14 by FWL and their licensees..”. Four of the invoices are dated between 2003 and 2006. These invoices are from Capella Industries AB to Chrono UK Limited in Ipswich. They cover around 250 items worth 7.5k (it is not clear whether this is pounds or euros). Two of these invoices date from August 2006, i.e. after the date of the sub-licence between FWL and Capella Industries AB. Three further invoices are dated January 2003. They cover around 80 items. They are from Capella Industries AB to Lambretta Clothing Limited in Middlesex. By comparing the names used on these seven invoices with the contents of SDW14 it is possible to see that most of the products are watches. A few products cannot be identified as watches, but neither do they correspond with any of the names shown for the jewellery range claimed to have been launched in Basel in 2006. I find that, at least, the use shown by Capella Industries AB in August 2006 was use of the mark in the UK within the relevant period in relation to watches, with FWL’s (and therefore Scooters’ consent). There is no evidence of any sales or promotion of jewellery in the UK in the relevant period.

46. The other two invoices, dated 21 April 2004 and 12 May 2005, are for a total of 7500 “*Assorted Lambretta Sunglasses*”. These invoices are from Iconeyewear Distr. Ltd in Newcastle to Iconeyewear BV in Amsterdam, Holland. These transactions took place before the sub-licence with Optoplast Manufacturing Company Limited was granted in June 2007. Further, the first transaction took place before FWL was clearly licensed to use the LAMBRETTA mark for class 9 goods in 2005. There is no explanation about the relationship between Iconeyewear Distr. Ltd and FWL, or the relationship between this company and Iconeyewear BV. In these circumstances, I am not

¹⁵ As exhibit SDW14.

¹⁶ As exhibit SDW15.

prepared to accept Mr Wilch's assertion that the use in question was "by FWL and their licensees". Further, the value of the invoices is very low for the number of goods involved; only 6.5K euros (around one euro per pair of sunglasses). This is partly explained by the fact that both invoices contain the same computational error: the unit price quoted is 4.5 euros, but this has been added to the quantity of goods rather than used as a multiplier. Mr Scheffrahn submits that this shows that the invoices are false. Mr Brandreth submits that it is more likely to be a case of a repeated error. I do not consider it necessary to make a finding about this. It is sufficient to conclude that a) repeated errors on this scale in the pricing of the goods (if that is what it was) made a year apart, indicate that there was a very casual 'commercial' relationship between these apparently related companies, and b) even the purported unit price of the goods appears well below the market value one would expect for sunglasses sold under "one of the most sought after fashion labels in the UK".

47. Furthermore, the use appears to be in relation to goods exported from the UK to a related company in Holland, but there is no evidence that the LAMBRETTA mark was affixed to the products or their packaging when they were exported. I will return to the legal significance of this point when I apply the law to the facts below.

48. Mr Wilch's fourth statement repeats, but does not add to his other three statements.

Summary of Findings of Fact

49. I have found that:

- i) No use of the mark has been shown of the mark in relation to motor vehicles in class 12.
- ii) No use of the mark has been shown by Club in relation to parts for vehicles, and the use that has been shown was not with Scooters' consent.
- iii) Use of the LAMBRETTA mark with Scooters' consent has been shown in the relevant period and in the UK in relation to 't-shirts, hoodies, jeans, skirts, dresses, coats, jackets, sweatshirts and macs'.
- iv) Use of the LAMBRETTA mark (probably with Scooters' consent) has also been shown within the relevant period and in the UK in relation to footwear.

- v) No use of the mark has been shown within the relevant period in the UK in relation to any goods in class 18, nor in relation to underwear in class 25.
- vi) The use of the LAMBRETТА mark shown by Capella Industries AB in August 2006 was use in the UK within the relevant period in relation to watches, with FWL's (and therefore Scooters' consent).
- vii) No use of the mark within the relevant period and in the UK has been shown in relation to jewellery.
- viii) The use shown of LAMBRETТА in relation to sunglasses for export from the UK to Holland has not been shown to be use with Scooters' consent, and there is no evidence that the LAMBRETТА mark was affixed to these goods or their packaging at the time of the exports.

The Law

50. The relevant parts of s.46 of the Act are re-produced below.

“(1) The registration of a trade mark may be revoked on any of the following grounds-

(a) that within the period of five years following completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;...

(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 is registered, and use in the United Kingdom includes affixing the trade mark to goods or 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 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.

(4) -

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-

(a) the date of the application for registration;

(b) if the registrar or the court is satisfied that the grounds for revocation existed at an earlier date, that date.”

51. Section 100 is also relevant. It states that:

“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 it.”

52. The requirements for genuine use were conveniently summarised by Ms Anna Carboni as The Appointed Person in *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd* (Sant Ambroeus Trade Mark) [2010] RPC 28. The summary, which I gratefully adopt and re-produce below, is drawn from the judgments of the Court of Justice of the European Union (CJEU) in Case C-40/01, *Ansul BV v Ajax Brandbeveiliging BV*, Case C-259/02, *La Mer Technology Inc. v Laboratoires Goemar*, and Case C-495/07, *Silberquelle GmbH v Maselli-Strickmode GmbH*.

“(1) Genuine use means actual use of the mark by the proprietor or third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely “token”, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] -[23].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25].”

53. Further, according to the CJEU in *Ansul*¹⁷:

“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 paragraphs 35 to 39 of this judgment. 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.”

54. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*¹⁸, Mr Geoffrey Hobbs QC as The Appointed Person summed up the law on partial revocation like this:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

55. Where use has been shown in relation to a range of individual products that fall within a category of goods, such as clothing, the name of the category of goods may be a fair description of the use shown, even though there are some items within that category for which no use has been shown¹⁹.

Application of the Law to the Facts

56. There has been no use shown of the LAMBRETTA trade mark in the relevant period in relation to parts for motor vehicles that was with Scooters' consent²⁰. This finding is sufficient, by itself, to mean that I must reject the submission made on behalf of Scooters that use of the word Lambretta in

¹⁷ The judgment in Case C-40/01.

¹⁸ BL O/345/10

¹⁹ See *Animal Trade Mark* [2004] FSR 19.

²⁰ See paragraph 20 above. I recognise that consent may be inferred and is not limited to licensed use, but the facts here do not support any form of consent.

composite word marks by (or with the consent of) Club in relation parts for land vehicles is sufficient to maintain the registration of the mark for land vehicles on the basis of the CJEU's judgment in *Ansu*²¹. This is because use of composite word marks, including the word LAMBRETТА, by third parties and without Scooters consent, in relation to parts for motor scooters, was not capable of maintaining or creating a market for complete motor cycles or land vehicles under the LAMBRETТА mark.

57. I also reject Scooters' pleading that the '769 mark should be retained because preparations had been made to resume use of the mark for land vehicles in the 3 months prior to the application for revocation on 19 November 2007. This is misconceived because, as is apparent from the wording of s.46(3), this is only relevant if *"use.... is commenced or resumed after expiry of the five year period and before the application for revocation is made"*. The gap between the end of the relevant five year period and the making of the application to revoke the '769 mark covers the period from 31 October 2007 to 19 November 2007. No use of the mark has been shown in that period for land vehicles, and so the existence of plans to resume use of the mark for those goods is irrelevant.

58. Consequently, registrations 831769 and 874581 in class 12 will be revoked in their entirety.

59. Use of the mark has been established in relation to t-shirts, hoodies, jeans, skirts, dresses, coats, jackets, sweatshirts and macs'. The established use is in relation to advertising campaigns. It is also established that retail outlets existed for the goods in the UK during part of the relevant period. Taking the evidence as a whole, I consider that it establishes that the use was genuine. I consider that the relevant average consumer would consider this use of the mark to be in relation to 'clothing'. However, as no use has been shown in relation to underwear, I find that a fair description would be 'Clothing, but not including underwear '.

60. Use of the mark with Scooters' consent has also been shown in relation to footwear. The use is small in extent and is towards the beginning of the relevant period. Nevertheless, I consider it to have been intended to create or maintain a market for footwear. I therefore consider the use to be genuine. I believe that 'footwear' is a fair description of the use shown.

61. No use of the mark has been shown in relation to headgear or parts and fittings for clothing (whatever that means) or any goods in class 18. Consequently, registration 2107935 will be revoked except for:

²¹ See paragraph 53 above.

Clothing, all for leisurewear²², but not including underwear; footwear.

62. Use has been shown in relation to watches. Again the established sales are small (smaller still if is restricted to only the use shown under the 2006 sub-licence from FWL), but taking the evidence as a whole I accept that it was genuine. 'Watches' appears to be a term that would accord with the perception of an average consumer. Therefore a fair description of this use would be 'watches'.

63. No use of the mark has been shown in the UK for jewellery or for parts and fittings for jewellery or watches. And I note that the licences granted to FWL do not cover parts and fittings for watches. Nevertheless, a trade in watches under the LAMBRETTA mark inevitably created a market under the same mark for parts and fittings for watches, such as replacement parts and straps. Therefore the genuine use with Scooters' consent in relation to watches is sufficient to maintain the registration for parts and fittings for watches.

64. Some use has been shown of the mark in relation to sunglasses exported from the UK to Holland. However, for the reasons given above²³ this use has not been shown to be with Scooters' consent. Further, the use is in relation to goods exported from the UK. According to s.46(2), such use is only relevant if the trade mark was affixed to the goods or their packaging in the UK. There is no direct evidence of this. Further, in a situation in which goods were being shipped in unexplained circumstances from a company in the UK to an apparently related company in Holland at a very low unit price, I am not prepared to infer that the sunglasses were necessarily shipped bearing the LAMBRETTA trade mark and in a condition ready for sale. I therefore find the use shown of LAMBRETTA in relation to sunglasses does not show genuine use of the mark in the UK with Scooters' consent.

65. Registration 2122788 will therefore be revoked except for 'watches and parts and fittings for watches'.

66. It follows that registration 2134922 will also be revoked except for:

Class 14: Watches and parts and fittings for watches.

Class 25: Clothing, but not including underwear; footwear.

²² The words 'all for leisurewear' are necessary to stay within the original specification of 2107935.

²³ See paragraph 46 above.

67. The conditions for revocation existed on 1 November 2007 and the registrations will therefore be revoked with effect from that date.

The Decision of OHIM

68. The First Board of Appeal confirmed OHIM's earlier decision to revoke CTM 1495100 in classes 12 and 18, and to partially revoke the registration in class 3. I have taken the OHIM decisions into account, but made my own decision. I am required to do so because i) the evidence before OHIM does not appear to have been identical to the evidence before me, ii) the rules of evidence at OHIM are not necessarily the same as the rules of evidence in the UK²⁴, and iii) it is well established that the CTM system is an autonomous system which is not bound by, and does not bind, decisions in national proceedings. Consequently, decisions by OHIM are only of persuasive value. In the event, I have reached the same conclusion as OHIM on the applications for revocation in the two classes common to both the national and Community proceedings (classes 12 and 18).

The Procedural Decisions

69. These proceedings have followed a long and tortuous path. It will be remembered that Scooters' evidence was filed in February 2008. Any evidence that Brandconcern wished to file in response should have been filed by 11 June 2008. However, Brandconcern sought and secured two extensions of time, first until 11 September 2008 and then until 11 December 2008. This was said to be necessary in order for Brandconcern to analyse Scooters' evidence and to "*provide extensive evidence against the afore (sic) trade mark registration and its use*". In November 2008, Brandconcern then filed two documents in Italian and asked for 3 more months, until 11 March 2009, to file evidence. It also asked to join two further applicants to the application. Regrettably, this third extension request was also provisionally agreed by the Registry, but Brandconcern was told that it was final. It was also asked to provide translations of the Italian documents and file them as evidence if it wanted them to be taken into account.

70. Not surprisingly, Scooters newly appointed representatives, Field Fisher Waterhouse, objected to the third extension of time request. After this happened, in April 2009, Brandconcern raised an objection to the standing of Field Fisher Waterhouse, claiming that they were not in fact acting for Scooters, but for FWL or Mr Derry Kunman. A Case management conference (CMC) was appointed on 31 July 2009 to consider these and other procedural

²⁴ See recital 6 to Directive 2008/95/EC and paragraph 51 of the judgment in *Sant Ambroeus Trade Mark* [2010] RPC 28

matters, including the standing of the Italian documents filed by Brandconcern and the timetable for filing evidence, which had by then become a shambles. It appears that the CMC was put back until 10 September 2009 because Mr Scheffrahn was on holiday from the end of July and throughout August 2009. The request to add further applicants was withdrawn at the CMC held in September 2009. Brandconcern's representative at that CMC produced copies of redacted e-mails which cast some doubt on whether Field Fisher Waterhouse Scooters were acting for Scooters and Brandconcern was given time to file this as formal evidence. Field Fisher Waterhouse was given two months to reply to it.

71. The proceedings were suspended whilst the question of whether Field Fisher Waterhouse acted for Scooters was resolved.

72. On 23 September 2009, Brandconcern's then representative, Wilson Gunn, provided a witness statement by Mr Scheffrahn formally introducing the documents produced at the CMC as evidence. They also made a new application - for security for costs. They further requested yet more time to file evidence going to the grounds for revocation.

73. This time it was Scooters' turn to delay things. Bizarrely, they sought 2 additional months (on top of the two they had been given) to provide the evidence of their own appointment. Eventually, on 3 February 2010, Field Fisher Waterhouse provided a Power of Attorney confirming that they acted on behalf of Scooters.

74. On 10 March 2010, Mr Scheffrahn on behalf of Brandconcern (Wilson Gunn having been dispensed with by then) wrote arguing that the Power of Attorney was deficient, that this should be taken to mean that a) Field Fisher Waterhouse did not act for Scooters, b) the previous recorded representatives for Scooters (Brookes Batchellor) also had not acted for Scooters, c) the evidence of use filed by the previous representatives should therefore be treated as not having been filed, and d) Scooters registrations should be revoked for non-use because no evidence of use had been filed on behalf of Scooters. The same letter repeated Brandconcern's request for security for costs.

75. The caseworker provisionally rejected these applications and correspondence about them continued back and forth until 7 July 2010, during which time Mr Scheffrahn made a further application to cross examine the person at Scooters who had signed the Power of Attorney and raised a further objection that the Power of Attorney had been filed late.

76. A further procedural hearing was scheduled for 18 August 2010 to determine the challenge to Field Fisher Waterhouse's entitlement to act for Scooters. Brandconcern was represented at that hearing by Mr Wood of Wood Trade Marks and Designs. The Hearing Officer rejected Brandconcern's objection to Field Fisher Waterhouse's representation of Scooters without it being necessary to call the signatory to the Power of Attorney from India to face cross examination. The Hearing Officer set a date of 18 October 2010 for Scooters to file the additional evidence it had previously indicated that it wanted to file in response to Brandconcern's later filed application to revoke the '581 mark. Both sides subsequently filed written submissions about Brandconcern's application for security for costs. The Hearing Officer rejected this request and gave her reasons in a letter to the parties dated 5 October 2010.

77. On 18 October 2010, Field Fisher Waterhouse indicated that Scooters would not, after all, file any further evidence and would instead rely on the evidence already filed in support of the first four revocations in order to resist all five (by now consolidated) applications for revocation.

78. Brandconcern was given yet more time, until 21 January 2011, to file the evidence that it had purportedly been preparing to file since May 2008 in response to Scooters' evidence of use of LAMBRETTA.

79. On 24 November 2010, Field Fisher Waterhouse advised the Registrar that it no longer acted for Scooters. As Scooters is based in India, the case worker wrote to it on 30 November 2010 pointing out that Rule 11 of the Trade Mark Rules 2008 required an address for service in the E.E.A. or the Channel Islands and inviting it to provide one. A reminder was sent on 6 January 2011, which warned that the failure to provide an effective address for service would result in Scooters being deemed to have withdrawn from the proceedings and the applications for revocation being deemed successful. No response was received so a decision was issued on 15 February 2011 giving effect to the actions foreshadowed in the letter of 6 January. The decision was sent to the parties (Scooters in India) and a period for an appeal was set, which ended on 15 March 2011.

80. On 3 March 2011, the Registrar received notice that Boulton Wade Tennant had been appointed to act for Scooters. An appeal to the Appointed Person was filed on 15 March in respect of the decision dated 15 February. It is not necessary for me to record the grounds of appeal here. It is sufficient to record that the appeal was accompanied by a witness statement dated 14 March 2011 by Ajai Kumar of Scooters. The gist of his evidence was that a) the Registrar's letter of 30 November 2010 had never reached Scooters, b) the letter of 6 January 2011 did not arrive until 12 February, c) Scooters did

not realise until then that the absence of a representative in the E.E.A. would have such serious consequences, and d) Scooters acted without delay to appoint such a representative when it realised the legal position.

81. Prior to the appeal hearing, I wrote to the Appointed Person on behalf of the Registrar explaining that the Registrar wished to make submissions in the appeal because the consequences of a non-effective address for service was a novel issue, but one that had potentially wider effect than just the instant case. It was submitted that the Registrar had been correct to treat Scooters as having withdrawn from the proceedings under Rule 12(4)(d), but wrong to treat this as meaning that the revocation actions were automatically successful. Instead, the applications for revocation should have been decided on the evidence without further input from Scooters.

82. The appeal hearing before Mr Geoffrey Hobbs QC took place on 4 July 2011. As a result of discussion at that hearing, the appeal against the Registrar's decision of 15 February 2011 was stayed (and so far as I am aware, remains stayed) and Scooters made an application to the Registrar on 15 July 2011 under Rule 74 for a UK address for service to be entered retrospectively as the correction of an irregularity in procedure or, alternatively, under Rules 76/77 in conjunction with a retrospective request for an extension of time in which to file the address for service. The caseworker replied on 9 August indicating that the Registrar was minded to allow the application under Rule 74

83. Brandconcern filed a copy of a letter dated 20 October 2010 from Field Fisher Waterhouse to Scooters in India in which the former withdrew their services to the latter. Scooters objected that this letter between Scooters and its then legal advisors was covered by privilege, which had not been waived.

84. Brandconcern asked to be heard about Scooters' applications under Rules 74, 76 and 77 and a further procedural hearing was held on 21 September 2011 by teleconference. I was the Hearing Officer on this and each subsequent occasion. Brandconcern was again represented by Mr Wood. Scooter was represented by Mr Benet Brandreth, instructed by Boulton Wade Tennant. I allowed the application for the reasons given in my letter of 28 September 2011. The relevant section of the letter is shown below:

“4. After some discussion, it was accepted that I had the power to entertain the applications, whether the original deficiency was under a combination of Rule 11(1) and Rule 12(1) or a combination of Rule 11(3) and Rule 62(1)(a).

5. Scooters case on the merits was, essentially, that i) the Registry's letters of 30 November 2010 and 6 January 2011 had not arrived or (in the case of the

second letter) arrived on 12 February 2011, too late to avoid the consequences of the Registrar's decision dated 15 February 2011, ii) after receiving the second letter, Scooters acted within a reasonable period to appoint a UK address for service on 3 March 2011, iii) the delay in acting was due to the failure of the Indian postal service for which Scooters should not be held responsible, and iv) the prejudice to Scooters of losing its trade marks was high if the applications were refused, whereas there was no prejudice to Brand[concern] if the applications were allowed, in the sense that it would be no worse off than if the address had been filed on time.

6. Brand[concern]'s case was that i) Scooters should have realised that an EEA address for service was required in relation to its UK trade marks, as it had apparently done in relation to its EU marks, ii) Scooters should not have relied upon the Indian postal service, which was notoriously unreliable, and iii) if the applications were allowed Brand[concern] would suffer prejudice in the form of delay and cost.

7. There was also some discussion about [the letter of 20 October 2010] sent to Scooters by [Field Fisher Waterhouse]. However, in the light of Scooters' complaint that this was covered by litigation privilege, Mr Wood did not, in the end, rely on the contents of this letter.

8. I considered that Scooters' arguments outweighed those of Brand[concern]. Consequently, I allowed the applications under Rules 74 and 77. The effect of this is that Scooters now has an EEA address for service as required by Rule 11."

85. Strictly speaking, I should have said that the effect of the decision was that Scooters was deemed to have had an EEA address for service at all material times.

86. Brandconcern sought leave to appeal that decision during the course of the proceedings, such leave being required by Rule 70(2). The application for leave was initially refused and Brandconcern duly sought a hearing. The hearing took place, again by teleconference, on 24 November 2011. At this hearing, Scooters was again represented by Mr Benet Brandreth. Brandconcern was represented by Mr Michael Edenborough QC, instructed by Freeth Cartwright LLP (Wood Trade Marks and Designs having been dispensed with by this time).

87. I refused leave to appeal and gave my reasons in a letter dated 25 November 2011. The relevant section is shown below.

"3. Mr Edenborough raised the following three arguments:

i) Rule 70(2) was ultra vires;

- ii) There was no case law as to how Rules 74, 76 & 77 interacted with Rules 11 and 12;
- iii) The representative of Brandconcern at the hearing on 21 September had been wrong to concede that the letter from Field Fisher Waterhouse LLP dated 20 October 2010 should not be relied upon to counter Scooters India's version of events in the period in which a replacement address for service should have been filed.

4. Mr Brandreth submitted point i) was wrong because Rule 70(2) only governed the timing of the appeal, not whether an appeal could be made. Point ii) was wrong because the decision of 28 September covered Rules 74/77, and there was plenty of case law about how discretion under those Rules should be exercised. Further, Brandconcern had not identified any error in the way the discretion was exercised, or any missing factor. Point iii) was also wrong because the change of heart as to whether to seek to rely on the letter of 20 October 2010 was not a reason to permit a matter abandoned at first instance to be raised on appeal.

5. Shortly put, I accept Mr Brandreth's submissions and reject those of Mr Edenborough for the reasons given by Mr Brandreth.

6. Further, permitting an appeal, even if it were successful, would require the reinstatement of the currently stayed appeal to the Appointed Person, and probably a remittance to the Registrar to reconsider the original decision to terminate the proceedings rather than exclude Scooters India from them. Indeed from discussion it appeared that the main difference between the parties was whether the proceedings ultimately continued with or without Scooters India. In circumstances where Scooters India is the property owner, has shown that it wishes to defend its property, and has belatedly provided an address for service to do so, it seemed to me that only one ultimate outcome was at all likely. Granting leave would therefore very probably add costs and delay, but otherwise make no difference.

7. Consequently, I reject Brandconcern's request for leave to appeal my decision of 28 September independently of the final decision in these proceedings.

8. I reserved my decision on costs until the final outcome of the case.

9. I allowed Brandconcern until 2 December to indicate how much time it needs to file its evidence in the proceedings.

10. I will then set a timetable for the conclusion of these proceedings."

88. On 1 December 2011, Mr Scheffrahn of Brandconcern wrote stating that it required until 2 March 2012 to file its evidence. Instead, in a letter to the parties dated 9 December 2011, a timetable was laid down which allowed Brandconcern until 2 February 2012 to file its evidence, and Scooters until 2 March to state if it wished to file evidence in reply and, if it did, until 2 April to do so.

89. On 1 February 2012, Mr Scheffrahn wrote again stating that Brandconcern had not received a response to its letter of 1 December and consequently had

not scheduled the work required to file additional observations and submissions. A further period of three months was sought to do so. A CMC was appointed to decide upon this request and the effect it had on the latest attempt to set a timetable for concluding the proceedings.

90. The CMC was again held by teleconference on 24 February 2012. Scooters was again represented by Mr Benet Brandreth. This time Brandconcern was represented by Mr Harry Willits, who I understand to be a solicitor based in London. Mr Scheffrahn was also included. After persistent questions from me about the nature of the 'evidence' that Brandconcern intended to file, it transpired that it was simply a copy of the OHIM decisions mentioned above with a narrative explaining their relevance to these proceedings. Scooters obviously did not need until 1 May 2012 to file these documents. And as Brandconcern had decided that it was not necessary for it to file evidence of fact, there would be no evidence to which Scooters could reply. Mr Willits indicated at that CMC that Brandconcern wished to be heard on the substance of the matter. Consequently, I directed that:

- i) Brandconcern's request for an extension of time until 1 May 2012 was refused.
- ii) Both sides should file skeleton arguments by 28 March in anticipation of a substantive hearing on 3 April 2012.
- iii) Brandconcern was free to incorporate or attach to its skeleton the decisions of OHIM insofar as they commented or made findings on the evidence of Scooters India Ltd in the parallel OHIM proceedings and related to the same evidence that Scooters India had filed in these proceedings.
- iv) The question of the costs of this CMC and of previous procedural hearings should be left for a decision following the main hearing.

91. On 29th February, Mr Scheffrahn sent an e-mail in which he withdrew the request to be heard made at the CMC 5 days earlier. Attached to that e-mail were copies of the OHIM decisions and the accompanying narrative that Brandconcern had asked on 1 February to be given until 1 May to file.

92. The final written arguments of Scooters were received on 28 March. One hour after they were filed, Mr Scheffrahn sent an e-mail to the Registrar asking for the submissions to be excluded on the grounds that skeleton arguments were required by 14.00 on 28 March, and Scooters' written submissions had not been filed until 15.17. Boulton Wade Tennant responded pointing out that the requirement for skeletons was linked to Brandconcern's

request for a hearing. The withdrawal of the request for a hearing obviated the need to observe the 14.00 deadline for written submissions.

93. For reasons I consider to be so obvious that they do not need to be stated, I have taken Scooters written submissions into account.

94. I have set out the procedural history for two reasons. Firstly, because a number of decisions were made which were adverse to Brandconcern and which are now open to appeal. Secondly, because the procedural history is relevant to the question of costs and it is helpful in that context to set out the parties' behaviour throughout the proceedings.

Costs

95. It will be obvious to anyone reading this decision that the relevant evidence was filed over 4 years ago and the substantive decision set out above could just as easily have been made then. Instead the last 4 years have been spent on procedural delays, obstruction, failures and sniping. This has greatly delayed matters and must have increased the costs to the parties to a level that is far above that which was necessary to dispose of these proceedings.

96. The parties seem to agree about this. Scooters asked to be able to make submissions on costs after having the benefit of this decision. Brandconcern also asked for an award of costs *"to the registered proprietor [it means against the registered proprietor] responsible for unnecessarily prolonging this case and generating costs via excessive fees for its representatives"*.

97. I will allow the parties 28 days from the date of this decision to file submissions on costs. These should state whether the parties are content for costs to be assessed on the basis of the Registrar's usual scale or whether off scale costs are requested. If the latter, an itemised bill of costs is required, which should be accompanied by an explanation of the basis on which those costs are being requested and why the usual contribution based approach is not appropriate for some parts (in which case, which parts) or all of these proceedings. If either side applies for off scale costs, I will allow the other side 14 days from the receipt of the request to respond to it. This is not an invitation to the parties to apply for off scale costs, just guidance about what is required if such an application is to be made.

98. I am not aware of any direction by the Appointed Person that the costs of the appeal should be assessed by the Registrar as part of the proceedings in the Registry. If that is right, I will not consider requests to award costs for the appeal.

99. I will issue a separate decision on costs after receiving any relevant submissions.

Timing of Decision

100. My decision on the substance is made as of the date below. This means that the appeal period on the revocation decisions, and on the procedural decisions described above, will run from this date.

Dated this 6th Day of June 2012

**Allan James
For the Registrar**