

O/557/20

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF REGISTRATION NOS. UK00003213698, UK00003096455
AND UK00003149895 IN THE NAME OF CCM BRITAIN LIMITED FOR THE
FOLLOWING TRADE MARKS:



AND

CONSOLIDATED APPLICATIONS FOR A DECLARATION OF INVALIDITY
UNDER NOS. 502474, 502475 AND 502618

BY JUMPTEC LTD, T/A CCM MOTORCYCLES

BACKGROUND AND PLEADINGS

1. CCM Britain Ltd (“the proprietor”) is the proprietor of the following trade marks:



UK trade mark no. 3213698

Filing date 20 February 2017; registration date 12 May 2017

(“the First Contested Registration”)



UK trade mark no. 3096455

(series of 2)

Filing date 26 February 2015; registration date 22 May 2015

(“the Second Contested Registration”)



UK trade mark no. 3149895

Filing date 15 February 2016; registration date 20 May 2016

("the Third Contested Registration")

(together "the Contested Registrations")

2. The Contested Registrations all stand registered for the following goods:

Class 12 Motorbikes; motors, engines and gearboxes for motorbikes: motorbike frames, saddles, handlebars; parts and fittings for all the aforementioned goods.

Class 16 Printed matter and publications; service, parts and accessory manuals and catalogues for motorbikes; photographs and pictures; posters; stationary; stickers and tattoos (removable).

Class 25 Clothing, footwear, headgear.

3. On 19 February 2019 and 21 May 2019 respectively, Jumpteck Limited t/a CCM Motorcycles ("the applicant") applied to have the Contested Registrations declared invalid under section 47 of the Trade Marks Act 1994 ("the Act"). The applications are based upon sections 5(4)(a) and 3(6) of the Act and are directed at all goods for which the Contested Registrations are registered.

4. For the purposes of its application to invalidate the First and Second Contested Registrations based upon section 5(4)(a) of the Act, the applicant relies upon the word only sign **CCM** ("the First Earlier Sign") as well as the following signs:



("the Second Earlier Sign")



("the Third Earlier Sign")

5. The applicant claims to have used these signs throughout the UK since 1971, 1972 and 2000 respectively, in relation to the following goods and services:

Class 12 Motorcycles; motorcycles parts and fittings.

Class 16 Printed matters; parts and accessory manuals.

Class 25 Clothing, footwear and headgear.

Class 35 Retail services.

6. For the purposes of its application to invalidate the Third Contested Registration, the applicant relies upon the word only sign **Clews Stroka** (“the Fourth Earlier Sign”) and following sign:



(“the Fifth Earlier Sign”)

7. The applicant claims to have used the Fourth and Fifth Earlier Signs throughout the UK since 1971 in relation to the same goods and services as listed in paragraph 5 above.

8. For the purposes of its applications based upon section 3(6) of the Act, the applicant notes that the proprietor is an authorised seller of parts for motorcycles manufactured by the applicant and has registered the Contested Registrations without the applicant’s authorisation, in the knowledge of the applicant’s earlier rights.

9. The proprietor filed counterstatements denying the claims made.

10. Both parties filed evidence in chief. The applicant filed evidence in reply. A hearing took place before me on **14 September 2020**, by video conference. The applicant was represented by Mr Tom St Quintin, of Counsel, instructed by Marks & Clerk LLP and the proprietor was represented by Mr Daniel Selmi of Counsel, instructed by Franel Trade Mark Protection Services. Both parties filed skeleton arguments in advance of the hearing.

EVIDENCE AND SUBMISSIONS

11. The applicant filed evidence in chief in the form of the witness statement of Austin Clews dated 12 November 2019, which was accompanied by 7 exhibits. Mr Clews is the Managing Director of the applicant. The applicant's evidence in chief was accompanied by written submissions dated 12 November 2019.

12. The proprietor filed evidence in chief in the form of the witness statement of Mark Cook dated 13 January 2020, which was accompanied by 7 exhibits, and the witness statements of Andy Middleton and David Lawson, both dated 12 January 2020. Mr Cook is the sole director of the proprietor. Mr Middleton and Mr Lawson are both customers of the proprietor. The proprietor's evidence in chief was accompanied by written submissions dated 13 January 2020. In addition to filing a skeleton argument, the proprietor also filed written submissions in advance of the hearing dated 10 September 2020.

13. The applicant filed evidence in reply in the form of the second witness statement of Mr Clews dated 25 June 2020, which was accompanied by 1 exhibit. The applicant's evidence in reply was accompanied by written submissions dated 1 July 2020.

14. Whilst I do not propose to summarise the evidence and submissions here, I have taken them into consideration and will refer to them below to the extent that I consider necessary.

PRELIMINARY ISSUE

15. The applicant has filed a number of letters addressed to “to whom it may concern”.¹ These letters are prepared by a number of third parties and express the common view that the applicant is the correct owner of the Contested Registrations. At the hearing, Mr Selmi submitted that these documents are hearsay evidence and little weight should be attributed to them.

16. Section 1 of the Civil Evidence Act 1995 provides that evidence shall not be excluded from civil proceedings on the grounds that it is hearsay evidence. These documents are, therefore, admissible. However, the question remains as to what weight should be placed upon them.

17. Section 4 of the Civil Evidence Act 1995 states:

(1) In estimating the weight (if any) to be given to hearsay evidence in civil proceedings the court shall have regard to any circumstances from which any inference can reasonably be drawn as to the reliability or otherwise of the evidence.

(2) Regard may be had, in particular, to the following –

(a) whether it would have been reasonable and practicable for the party by whom the evidence was adduced to have produced the maker of the original statement as a witness;

(b) whether the original statement was made contemporaneously with the occurrence or existence of the matters stated;

(c) whether the evidence involves multiple hearsay;

¹ Exhibit AC5

(d) whether any person involved had any motive to conceal or misrepresent matters;

(e) whether the original statement was an edited account, or was made in collaboration with another or for a particular purpose;

(f) whether the circumstances in which the evidence is adduced as hearsay are such as to suggest an attempt to prevent proper evaluation of its weight.”

18. No explanation is provided by the applicant as to why witness statements could not have been obtained from these individuals. There does not appear, to me, to be any obvious reason why this could not have been done. The letters are all dated October 2019, after these proceedings had been commenced. The evidence does not appear to involve multiple hearsay and there does not appear to be any reason why those involved would have a motive to conceal or misrepresent matters. The original statements all follow the same format and make the same sort of statements. Mr St Quintin notes that all of the letters are signed which, at least to some extent, indicates an intention to stand by the content of those letters by those who prepared them. It is correct that the letters are signed. However, the absence of a statement of truth is a key consideration. Taking all of this into account, I consider that very little weight should be placed upon these statements. In any event, as these letters simply make statements of their author’s opinion as to ownership of the Contested Registrations, I do not consider them to be of particular assistance to the applicant for the purposes of these proceedings.

DECISION

19. Sections 5(4)(a) and 3(6) of the Act have application in invalidation proceedings by virtue of section 47 of the Act, which states as follows:

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

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

[...]

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(5A) An application for a declaration of invalidity may be filed on the basis of one or more earlier trade marks or other earlier rights provided they all belong to the same proprietor.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed.”

Findings of Fact

20. I will begin by making a number of findings of fact, the outcome of which will impact upon various aspects of my decision.

The Applicant and its predecessors in title

21. The applicant claims to have purchased the assets of its predecessor in title in 2004. This is supported by an agreement, provided by Mr Clews, between CCM Motorcycles Limited, the applicant and the liquidator for CCM Motorcycles Limited.² The agreement is dated 10 September 2004 and states:

“The Vendor has agreed to sell and the Purchaser has agreed to purchase whatever right title and interest the Vendor may have in certain assets and the Purchaser has agreed to purchase on the terms and conditions set out in this Agreement.”

22. The “Vendor” is defined as the CCM Motorcycles Limited and the “Purchaser” is defined as the applicant.

23. The proprietor raises a number of criticisms of this agreement. These can be summarised as follows:

a) The agreement does not contain a schedule of marks or reference any of the Contested Registrations.

b) The consideration paid for the “customer lists and goodwill” was £2.00 and the consideration paid for the “intellectual property” was £1.00 – a small amount if the applicant claims these to have been valuable commodities.

c) The definition of ‘goodwill’ in the agreement describes “the Business together with the rights (insofar as the Vendor has the right to grant the same) for the

² Exhibit AC1

Purchaser to use of the trading names of the Vendor and to represent itself as carrying on business in succession to the Vendor". The proprietor notes that no specific mention is made of the 'trade marks'.

d) No reference is made to 'unregistered rights' in the definition of 'intellectual property'.

e) There are caveats in the agreement that make it clear that the intellectual property may be subject to restrictions or deficiencies and no warranties are given.

24. Clause 2.1 states:

"The Vendor shall sell and the Purchaser shall buy with effect from the Transfer Date such right title and interest as the Vendor has in the following assets:

[...]

2.1.3 the Goodwill;

2.1.4 the Intellectual Property;

[...]"

25. "The Goodwill" is defined as:

"the goodwill of the Vendor in connection with the Business together with the rights (insofar as the Vendor has the right to grant the same) for the Purchaser to use the trading names of the Vendor and to represent itself as carrying on the Business in succession to the Vendor."

26. "The Intellectual Property" is defined as including the following:

"(b) all trade names, business names used in connection with the Business, drawings, designs, plans, specifications, data, patterns, technical information,

test results and reports of the Vendor produced obtained or held for the purposes of the Business;

[...]

(e) the benefit, subject to the performance of the burden, and insofar only as the Vendor has the right to transfer the same, of all agreements made in connection with the Business in respect of any [...] trade marks [...]"

27. "The Business" is defined as:

"The Vendor's Business as motorcycle manufacturers as carried on from the Premises."

28. I note that the agreement does not contain a schedule of marks being transferred. However, it is clear that the intention of the agreement is to transfer "all trade names" and so I do not consider the lack of a schedule to impact its validity. I note that the amount paid in consideration is limited. However, there could be any number of commercial reasons for this and, ultimately, as long as consideration was paid the agreement is valid. The proprietor notes that no reference is made to trade marks in the definition of 'goodwill' and no reference is made to 'unregistered rights' in the definition of 'intellectual property'. However, the clear intention was to transfer any goodwill in the business and to give the applicant the right to represent itself as the successor in business to the vendor. Further, reference is made to 'trade names'. I do not therefore consider this wording to be an issue for the applicant. Finally, the proprietor refers to the fact that no warranties are given in the agreement and that it is acknowledged that there may be issues with the earlier chain of title that have not been disclosed. I do not consider this, in itself, to mean that there is no transfer of the assets and goodwill. It is always the case, in any agreement of this kind, that the vendor will not be able to sell something which it does not own. That, to my mind, is all that the clauses referred to by the proprietor say. I will return to the chain of title below, but I do not consider this impacts upon the validity of the agreement.

29. I find that the applicant purchased the assets (including the intellectual property rights) and goodwill from CCM Motorcycles Limited on 10 September 2004.

30. CCM Motorcycles Limited was itself incorporated under its previous name Ever 1408 Limited on 8 August 2000. Any goodwill acquired by that company from its incorporation would have transferred to the applicant under the above agreement. However, Mr Clews gives evidence that the chain of title can be traced back from the applicant to Alan Clews himself.

31. Mr Clews explains that his father, Alan Clews, set up a company called Clews Competition Machines Limited at some point in the early 1970s. On 24 September 1975 a new company, Clews Competition Machines (Britain) Limited was established and Mr Clews confirms that all intellectual property rights were transferred to this company. No evidence is provided to support this claim. Mr Clews goes on to state that Alan Clews sold his majority shareholding in Clews Competition Machines (Britain) Limited to a company called Armstrong PLC in 1981. The company name was subsequently changed to Armstrong Competition Motorcycles Limited in 1982 and Armstrong Motorcycles Limited in 1985. Mr Clews states that in 1987, Alan Clews “bought back” the Armstrong Competition Motorcycles business and changed its name to CCM Armstrong Motorcycles Limited in 1988 and to Ropelane Limited in 1997. That company was put into liquidation in 1998 and new investors purchased all of the assets. It was these investors who, Mr Clews states, incorporated Ever 1408 Limited on 8 August 2000, which later changed its name to CCM Motorcycles Limited on 23 February 2001. That was the same company from which the applicant purchased the assets and goodwill in September 2004.

32. To my mind, any goodwill held by Alan Clews himself would undoubtedly have passed to the company that he incorporated in the early 1970s. Based on Mr Clews’ evidence, it is clear that the intention was for that company to continue the business of Alan Clews, who had previously traded as a sole trader. On the balance of probabilities, it is reasonable to infer an assignment of the assets and goodwill. Mr Clews states that all intellectual property rights were transferred from that company to Clews Competition Machines (Britain) Limited after its incorporation on 24 September 1975. Very little information is provided about this by Mr Clews and no supporting

documentation is put forward. Further, no explanation is provided as to why no documentation is available. That being said, given the amount of time that has passed and the fact that this is a business to business transfer, it is perhaps unsurprising that no documentation has survived. I will proceed on the basis that there was a valid assignment of assets and goodwill between these companies.

33. Mr Clews goes on to explain that Alan Clews sold his majority shareholding in that company to Armstrong PLC and to outline the name changes of that company. That might be the case, but a change of shareholding/name does not impact upon ownership of goodwill. The goodwill would have remained with the company. Mr Clews states that in 1987, Alan Clews “bought back” the Armstrong Competition Motorcycles business. Presumably, Mr Clews is referring to Alan Clews buying back his shareholding. Again, as this has no impact upon the transfer of goodwill, I do not consider that this has any impact upon the chain of title. When that company (by then, called Ropelane Limited) was put into liquidation in 1998, Mr Clews states that new investors purchased all of the assets. Mr Clews states that these investors subsequently incorporated a company called Ever 1408 Limited on 8 August 2000, which later changed its name to CCM Motorcycles Limited on 23 February 2001. This is the company from which I have found the applicant purchased the goodwill.

34. The evidence here is, undoubtedly, incomplete. No documentary evidence has been filed to demonstrate either the investors’ purchase of the assets or the transfer of these assets to the applicant’s predecessor in title when it was later incorporated. Given that the transfer is disputed by the proprietor, in the absence of any supporting evidence, I am unable to infer that a transfer took place. Mr Clews states that he resigned as a director of the new company in 2001. However, there is no evidence that he was directly involved in the company that was liquidated. Further, this was not a business to business transfer, where it could possibly be said that an informal transfer was made and no documentation was completed. This was a purchase from a liquidator; I would expect there to have been documentation for the transfer to the investors. Mr Clews has not provided a copy of that assignment document, nor has he provided an explanation about why he has been unable to do so. Consequently, I am unable to find that the goodwill was assigned from Armstrong to the investors and, subsequently, from the investors to the applicant’s predecessor in title.

Proprietor's Use of the Contested Marks

35. The applicant's evidence is that in 2004, it was approached by Mr Cook, who sought permission to make replacement parts for the applicant's motorbikes. Mr Cook accepts this but suggests that he actually began making replacement parts prior to this date, although he does not give evidence as to when this began. Mr Cook states that it was in 2005 that he decided to start using "CCM Britain" instead of Cooks Competition Machines because he thought the latter was "too much of a mouthful". This appears to coincide with his decision to incorporate a company called CCM Britain Limited on 27 April 2005 and the registration of the domain name ccm-britain.co.uk on 18 May 2005. That company was later dissolved due to a failure to file company accounts. However, Mr Cook subsequently incorporated the proprietor company on 10 April 2008. Prior to Mr Cook's incorporation of the first company referred to above, there is no evidence before me that he was using any of the Contested Registrations as a trade mark; to my mind, use of the Contested Registrations to describe spare parts for motorbikes originally sold by another company is, on the face of it, descriptive use of the marks because it designates the intended purpose of the goods, i.e. as parts for CCM motorcycles. Consequently, I find that Mr Cook did not use the First and Second Contested Registrations as trade marks until 27 April 2005 when he incorporated his first company and the proprietor did not use the First and Second Contested Registrations as trade marks until it was incorporated on 10 April 2008.

36. In relation to the Third Contested Registration, there is less evidence of use on the part of the proprietor. There is evidence that a motorbike described as a "Clews Stroka built for Keith Barnes to race in 2011 British Pre 72 Championships" was available to purchase through the proprietor's website.³ Mr Cook states that the page in question was available from the date the domain name was registered (2005) but the same page refers to the marks used being registered and so this could not possibly pre-date the application date for registration of the Third Contested Registration. There is evidence of the proprietor displaying a Clews Stroka motorbike at a stand in 2012, but it is not clear whether this was being offered for sale or, if it was, whether it was a new

³ Exhibit MC6

bike made by the proprietor (as opposed to a second hand cycle made by a predecessor of the applicant). If the latter, then selling second hand motorbikes that display the original seller's trade mark is not trade mark use by the seller. I note that Mr Cook states that goods and services have been sold under the Third Contested Registration since the proprietor was incorporated and Mr Cook has provided annual turnover figures in relation to this. However, I see no reason to conclude that this use was anything other than descriptive in relation to spare parts.

37. I note the evidence of Mr Middleton and Mr Lawson, who both confirm that they have been purchasing parts from Mr Cook and his associated companies for a number of years. However, I do not consider that the evidence given by them is inconsistent with my conclusions regarding the descriptive use outlined above.

Section 5(4)(a)

38. Section 5(4)(a) of the Act states as follows:

“5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

aa)...

b) ...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark”.

39. Subsection (4A) of section 5 of the Act states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

40. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether “*a substantial number*” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

Relevant date

41. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC, sitting as the Appointed Person, considered the relevant date for the purposes of s.5(4)(a) of the Act and stated as follows:

“43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority

date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.”

42. At the hearing, Mr St Quintin submitted that the relevant dates are the application dates for the trade marks. Mr St Quintin submitted that “there is no earlier act complained of that gives an earlier relevant date for the assessment of passing off”. I agree with Mr St Quintin, of course, that the first relevant dates will clearly be the dates that the Contested Registrations were applied for i.e. 20 February 2017, 26 February 2015 and 15 February 2016 respectively. However, I consider it necessary to closer examine whether there is an earlier act that could have been complained of by the applicant in relation to the proprietor’s use of the Contested Registrations.

43. I have found that Mr Cook has used the Contested Registrations in relation to replacement parts for classic motorcycles since at least 2004. However, I have found that use made in relation to these sales would have been descriptive i.e. to explain what motorcycles Mr Cook’s parts would be suitable for use with. At the hearing, Mr St Quintin directed me to the judgment of Thomas Mitcheson QC, sitting as the Appointed Person, in *Casablanca Trade Mark*, O-349-16. In that case, the Appointed Person stated:

“33. I accept that the type of use which is alleged to amount to antecedent use must be assessed carefully. Some of the factors referred to are clearly relevant – non-distinctive use, use on different goods and use outside the UK would rarely give rise to antecedent rights. [...]”

44. The descriptive use of the Contested Registrations by Mr Cook would have been non-distinctive use and, therefore, could not be considered antecedent use capable of giving rise to an earlier relevant date. However, in *Casablanca*, the Appointed Person went on to state:

“37. Accordingly the relevance of the activities of the applicant is limited to establishment of the date that the actionable use began. Once that date is established, the only question of goodwill arises in respect of the opponent’s activities. As the Applicant in the present case pointed out, self-evidently it would only be in very exceptional circumstances that a party would have established goodwill at the point in time at which it commenced the use complained of. The establishment of goodwill would take much longer. But the authorities recognise that it is the date that the activity commenced which is the crucial one, and so in my judgment it cannot be necessary for goodwill to have been accrued at that time.

38. That does not mean that it is irrelevant what happens after the first alleged date of commencement. Clearly if the activity ceased or changed materially between the date of commencement and the date of application for the trade mark then this must be taken into account, as it may mean that the true date of commencement of the activity complained of is later or that the activity complained of cannot properly be said to have properly commenced at all (if it was later abandoned). [...]”

45. There is no evidence before me of any change in the way that the proprietor used the Third Contested Registration prior to the application for registration. I note that Mr Cook gives evidence of sales in relation to goods and services sold under the Third Contested Registration, but no information is provided as to the way in which this mark was actually used or in relation to what goods and services. Consequently, I agree with Mr St Quintin that the only relevant date in relation to the Third Contested Registration is the date of application i.e. 15 February 2016. However, to my mind, the actions of Mr Cook in incorporating a company called CCM Britain Limited on 27 April 2005 was the first point at which the applicant could have complained in relation to the use of the First and Second Contested Registrations. For the avoidance of doubt, as the dominant elements of both the First and Second Contested Registrations are the words “CCM BRITAIN” I do not consider that the fact that the prior use was in word only form prevents this from being an act capable of being complained of. This act on 27 April 2005 coincided with Mr Cook’s conscious decision to stop using the name Cooks Competition Machines because it was “too much of a mouthful” and to start

using the name CCM Britain. It was at this point that Mr Cook's use of the First and Second Contested Registrations stopped being purely descriptive i.e. he started holding himself out to be CCM Britain and began using the First and Second Contested Registrations (or a variant thereof) to indicate trade origin.

46. At the hearing, Mr St Quintin submitted that the proprietor was not incorporated until April 2008. Consequently, Mr St Quintin submits that there cannot possibly have been antecedent use on the part of the proprietor prior to this date. That is, of course, correct. However, the proprietor's pleaded case is based upon prior use dating back further than its incorporation. It must, therefore, be the case that the proprietor is claiming that any use on the part of Mr Cook or the earlier company has accrued to it for some reason. As it is the proprietor's best case that the applicant should be required to demonstrate goodwill at both of these relevant dates, I shall proceed on the basis that there is a second relevant date for the First and Second Contested Registrations i.e. 27 April 2005.

47. For the avoidance of doubt, in reaching these conclusions regarding the relevant date I have not overlooked the fact that there are some examples in the evidence, dated more recently than 27 April 2005, in which the proprietor has sought to clarify that it does not own the Contested Registrations. For example, an advert from 2011 states:

"All CCM logos used are associated with CCM Britain Ltd. CCM Britain does not claim ownership, but would object to any company or individual bringing the name of CCM Britain into disrepute."⁴

The fact that the proprietor has, in some instances, sort to make this distinction, does not prevent its other acts in which it has failed to do so from being acts that could be complained of by the applicant. I do not, therefore, consider that this affects my above findings.

⁴ Exhibit MC7

48. I have also taken into account the fact that there is reference to a conversation between Alan Clews and Mr Cook in which they discussed the fact that Mr Cook had built a replica “CCM” motorbike. However, as this conversation is not dated by Mr Cook I am unable to assess whether this represents an earlier relevant date.

Goodwill

49. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), goodwill was described in the following terms:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

50. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark* [1969] R.P.C. 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence

must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

51. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

52. I note that the proprietor admits that the applicant has shown some limited goodwill in relation to the First and Third Earlier Signs. However, for the sake of completeness, I will set out my full conclusions and finding in relation to all of the earlier signs below.

The First, Second and Third Earlier Signs

53. As I have found that the chain of title has not been established any earlier than the applicant's immediate predecessor in title, the evidence that pre-dates that company's incorporation date (i.e. 8 August 2000) will not be of assistance to the applicant. Mr Clews gives little evidence about the use made of the First, Second and Third Signs by its immediate predecessor in title. However, I note that an article dated 27 January 2001 from *The Daily Telegraph* states:

“CCM has attracted plenty of attention in the past few months for its major new investment and expansion programme, boosted by the involvement of the photogenic Michaela Fogarty (*Motoring*, January 6). The effort has alerted

people to the company's existence: the off-road specialist previously operated in such a small niche (mainly competition enduro machinery) that even enthusiasts weren't always aware of it."⁵

54. The article goes on to state that the "CCM 604RS is "on sale now" for £5,450.

55. With regard to the use made by the applicant itself, Mr Clews states that, since September 2004 when the applicant purchased the assets of its immediate predecessor in title, the applicant has sold over 4000 motorcycles. I recognise that, presumably, only a proportion of these sales would have taken place prior to the relevant dates. This evidence is not directly challenged by the proprietor and I see no reason to disbelieve this evidence.

56. This finding is further supported by various documents provided in Mr Clews' evidence. For example, a number of print outs from the applicant's website relate to the period since September 2004.⁶ The First Earlier Sign is used throughout these pages and the Third Earlier Sign also appears. Various print outs from more recent years display images of motorcycles on the website alongside an electronic form to complete for information requests about the bike (May 2013) and to book a test ride (May 2014). The print out from May 2014 also refers to a *Sunday Times* article about a test ride of one of the applicant's motorcycles. The option to "book a test ride" remains visible on the print out dated February 2015 and under the "Latest News" section a video entitled: "HRH, Prince William visit to CCM Motorcycles Stand at the NFC November 2013" is visible. A print out dated January 2016 states under "Latest News": "Devonmoto – your new CCM dealership for Devon".

57. Mr Clews has provided extracts from a book entitled "Rolling Thunder CCM Motorcycles: The Odyssey" which was originally published in 1990, with a second edition published in 2008.⁷ It is snapshots of the second edition from 2008 that have been provided. These contain photographs of motorbikes displaying the Second Earlier Sign. They also displays the Third Earlier Sign on promotional material. There

⁵ Exhibit AC7

⁶ Exhibit AC3

⁷ Exhibit AC7

is a photograph of “the first CCM two-stroke” which it states was launched at the Dirt Bike Show in December 1978. As Mr St Quintin submitted at the hearing: “people do not write books about brands if they are unknown”.

58. Mr Clews has also provided various photographs and third party publications which reference the applicant’s products.⁸ For example, an article on www.motorcyclenews.com dated 15 January 2014 refers to the First Earlier Sign states “£8,000 for a single-cylinder 450cc? Are you mad? Yes, the CCM’s asking price is high – but it’s a hand-built, made in Britain, beautifully spec’d machine [...]”.

59. Taking all of this evidence into account, I am satisfied that the applicant had a reasonable degree of goodwill at all of the relevant dates in relation to motorcycles. I consider that the First, Second and Third Signs were all distinctive of that goodwill.

The Fourth and Fifth Earlier Signs

60. Mr Clews explains that his father started making his own bikes in 1969. The first bikes developed by Alan Clews were called “Clews Strokas” and the first sale was made to a well-known motorcyclist in April 1972, who went on to win multiple races on the bike. Later in the same year, Alan Clews took a stand at the Belle Vue motorcycle show in Manchester and displayed another of his first batch of bikes, which was offered for sale for £595. Mr Clews explains that the Fourth and Fifth Earlier Signs were used on these motorbikes. This is confirmed by a photograph of one of these early bikes, taken in around 1971/1972.⁹ Mr Clews confirms that the Fourth and Fifth Earlier Signs have not been used on motorcycles since around 1972, but contends that it is still synonymous with Alan Clews and his subsequent companies. The applicant’s evidence is that these early motorbikes can now reach prices of up to £30,000, having become collectors’ items. The fact that these classic motorcycles remain in circulation is supported by the fact that Mr Cook claims to have been selling replacement parts for them since at least 2004.

⁸ Exhibit AC7

⁹ Exhibit AC1

61. The fact that the Fourth and Fifth Earlier Signs have not been used on motorcycles since 1972 is not, automatically, fatal to an invalidation brought based upon section 5(4)(a). In *Ad Lib Club Limited v Granville* [1971] FSR 1 (HC), Vice Chancellor Pennycuick stated that:

“It seems to me clear on principle and on authority that where a trader ceases to carry on his business he may nonetheless retain for at any rate some period of time the goodwill attached to that business. Indeed it is obvious. He may wish to reopen the business or he may wish to sell it. It further seems to me clear in principle and on authority that so long as he does retain the goodwill in connection with his business he must also be able to enforce his rights in respect of any name which is attached to that goodwill. It must be a question of fact and degree at what point in time a trader who has either temporarily or permanently closed down his business should be treated as no longer having any goodwill in that business or in any name attached to it which he is entitled to have protected by law.

In the present case, it is quite true that the plaintiff company has no longer carried on the business of a club, so far as I know, for five years. On the other hand, it is said that the plaintiff company on the evidence continues to be regarded as still possessing goodwill to which this name AD-LIB CLUB is attached. It does, indeed, appear firstly that the defendant must have chosen the name AD-LIB CLUB by reason of the reputation which the plaintiff company's AD-LIB acquired. He has not filed any evidence giving any other reason for the selection of that name and the inference is overwhelming that he has only selected that name because it has a reputation. In the second place, it appears from the newspaper cuttings which have been exhibited that members of the public are likely to regard the new club as a continuation of the plaintiff company's club. The two things are linked up. That is no doubt the reason why the defendant has selected this name”.

62. It is, therefore, entirely possible for a sign not to have been used for a period of time but for it to continue to be distinctive of the business that used it. There are some examples of continued references to the Fourth and Fifth Earlier Signs in articles and

publications. For example, an article from *Classic Dirtbike* (2010) which advertised the proprietor's business states: "It has been 40 years since the Clews Stroka conceived CCM."¹⁰ Further, photographs of motorcycles displaying the Fifth Earlier Sign are visible in the book entitled "Rolling Thunder CCM Motorcycles: The Odyssey" which was originally published in 1990, with a second edition published in 2008.¹¹ Nonetheless, it seems to me that the evidence that the Fourth and Fifth Earlier Signs remained in the mind of the relevant public at the relevant date is limited.

63. I also note that Mr Clews states that "[f]rom 2004 onwards, once we had bought back the business and its assets from the liquidator all of the Cancellation Applicant's focus was on the design and manufacture of our latest models. It was not economically viable to produce parts for the old models from the 1970s."¹²

64. Taking the fact that there are very limited examples that the Fourth and Fifth Earlier Signs continue to be referenced in articles and publications, together with the amount of time since the Fourth and Fifth Earlier Signs have been used (including the applicant's decision not to continue making spare parts for motorcycles sold under the signs), I consider it unlikely that there would be any residual goodwill in the signs at the relevant date. In any event, my findings regarding chain of title are fatal for the applicant's case in this regard. For the reasons set out above, the applicant has been unable to prove that any such residual goodwill, if it did exist, belonged to the applicant. I do not consider that the Fourth and Fifth Earlier Signs were distinctive of the applicant at the relevant date.

65. The invalidation based upon section 5(4)(a) in relation to the Third Contested Mark must, therefore, fail at the first hurdle.

¹⁰ Exhibit MC7

¹¹ Exhibit AC7

¹² First Witness Statement of Alan Clews, para. 28

Misrepresentation and damage

66. I will now consider whether the applicant has succeeded in demonstrating misrepresentation and damage in relation to the First and Second Contested Registrations.

67. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product]”

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101.”

And later in the same judgment:

“.... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

68. *Halsbury's Laws of England* Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309, it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

69. The Second Earlier Sign is identical to the First Contested Registration. The First and Earlier Signs consists of the letters CCM. These letters all appear identically in the marks within the Second Contested Registration. The differences are that the letters in each of the marks in the Second Contested Registration are in white on a blue and red background and are presented in a slightly stylised font. The word BRITAIN also appears over the letter M in each mark in the Second Contested Registration. The differences in colour and stylisation do not, to my mind, create a point of significant difference taking into account notional and fair use of the First Earlier Sign. However, the addition of the word BRITAIN will create a point of difference, although it is likely to be seen as a geographical indication and will be attributed less trade mark significance. The Third Earlier Sign consists of a stylised version of the words CCM Motorcycles. The common elements CCM will clearly represent a point of similarity between the marks. Although the words “Motorcycles” and “Britain” are points of difference, they are likely to be attributed little trade mark significance due to their descriptive/geographical meanings. The colours used in both marks are similar. Taking all of this into account, I consider the First and Third Earlier Sign to be highly similar to the Second Contested Registration.

70. I have found that at all of the relevant dates, the applicant had a reasonable degree of goodwill in relation to motorcycles and that the signs relied upon were distinctive of that goodwill. The First and Second Contested Registrations are registered for identical goods in class 12 i.e. “motorbikes”. The First and Second Contested Registrations are also registered for goods that amount to parts for those goods i.e. “motors, engines and gearboxes for motorbikes”, “motorbike frames, saddles,

handlebars” and “parts and fittings for all the aforementioned goods”. I consider that these goods are likely to fall within the same fields of activity.

71. “Service, parts and accessory manual and catalogues for motorbikes” in the specifications of the First and Second Contested Registrations are all goods that are likely to be sold alongside motorbikes. It is customary for manufacturers of vehicles to provide user manuals and to sell replacement ones. I consider that these goods are likely to fall within the same fields of activity. I also consider that the same will apply to “printed matter and publications” in the specifications of the First and Second Contested Registrations, to the extent that this term includes the former.

72. “Photographs and pictures”, “posters”, “stationary” and “stickers and tattoos (removable)” in the specifications of the First and Second Contested Registrations do not appear, to me, to be within the same fields of activity as the goods for which the applicant has demonstrated goodwill.

73. The term “clothing, footwear, headgear” in the First and Second Contested Registrations could include clothing specifically for use when riding a motorbike (such as protective clothing and headgear). Nonetheless, I consider it unlikely that these goods would be within the same field of activity. In the absence of any evidence to the contrary, I consider it unlikely that the same businesses would sell both these goods and the goods for which the applicant has demonstrated goodwill. Taking all of this into account, I do not consider the goods to be within the same field of activity but, if I am wrong in this finding, then any overlap will be minimal.

74. It is clear from Mr Cook’s evidence that he had long been aware of the CCM motorcycle business and the applicant. Indeed, he approached the applicant to ask permission to make replacement parts for their motorbikes in 2004. It is not clear at what point in 2004 this took place. The fact that he recognised the need to request this permission suggests, to my mind, a level of knowledge on his part that ownership of the goodwill in the CCM brands belonged to the applicant. Further, he must have recognised that trading in, at the very least, the goods that were within the same field of activity had potential to cause members of the relevant public to be misled. I consider it likely that in subsequently holding himself out to be CCM there was an

intention to deceive on the part of Mr Cook (and, consequently, on the part of the proprietor). In any event, even without this intention, taking into account the similarity between the marks and signs in issue, I consider that there is a likelihood that a substantial number of members of the relevant public would be deceived by the use of the First and Second Contested Registrations in relation to those goods that are within the same field of activity. In respect of those goods that I have found to be in different fields of activity (or where there is only a minimal overlap), I recognise that it is not essential under the law of passing off for the parties to be engaged in the same fields of business activity (see *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA)). However, the closeness of the parties' respective fields is a factor which must be taken into account. To my mind, the distance between these goods, combined with the fact that the applicant only had a reasonable degree of goodwill at the relevant dates, is sufficient to avoid consumers purchasing the proprietor's goods in the mistaken belief that they are the goods of the applicant.

75. In its statement of grounds, the applicant states:

“The Proprietor's use of its trade mark is likely to damage the Applicant's goodwill, in particular, if the Proprietor provides goods or services which are of a lower quality than those provided by the Applicant. Furthermore, damage is likely to occur if the products provided by the Proprietor in relation to its trade mark are of poorer quality or cause harm or loss to consumers. In the above scenarios, the Applicant is likely to suffer damage to its goodwill and reputation, as well as a loss of sales. In the absence of any control over the quality of the Proprietor's goods, the risk of damage to the reputation of the Applicant's trade mark would be considerable.”

76. Mr Selmi noted that there is no evidence that the proprietor is providing poor quality goods and, in fact, is attempting to improve the reliability of the applicant's historical motorbikes. However, as correctly noted by Mr St Quintin, the words “in particular” in the above paragraph mean that the claimed damage to reputation through sales of inferior goods is not the only aspect of damage claimed.

77. The House of Lords stated in *Office Cleaning Services v. Westminster Office Cleaning* (1964) 63 RPC 39 that:

“Confusion innocently caused will yet be restrained. But if the intention to deceive is found, it will be readily inferred that deception will result. Who knows better than the trader the mysteries of his trade?”

78. In *Specsavers v Asda* [2012] EWCA Civ 24, Kitchen LJ cited *Slazenger & Sons v Feltham & Co* (1889) 6 R.P.C. (Lindley J) as follows:

“It has long been established that if it is shown that a defendant has deliberately sought to take the benefit of a claimant’s goodwill for himself the court will not ‘be astute to say that he cannot succeed in doing that which he is straining every nerve to do.’”

79. Given the similarity of fields of business within which the parties operate in relation to those goods in respect of which I have found there to be misrepresentation, it is clear that there is a likelihood that damage will arise through loss of sales and diversion of business.

80. The application based upon section 5(4)(a) succeeds in relation to the following goods only:

Class 12 Motorbikes; motors, engines and gearboxes for motorbikes: motorbike frames, saddles, handlebars; parts and fittings for all the aforementioned goods.

Class 16 Printed matter and publications; service, parts and accessory manuals and catalogues for motorbikes.

Acquiescence

81. In its pleadings the proprietor submits that there has been acquiescence on the part of the applicant to its use of the Contested Registrations. Clearly, as the

invalidation in relation to the Third Contested Registration has already failed, this can only have any relevance to my findings in relation to the First and Second Contested Registrations. In this regard, Mr Cook states:

“3.2 Alan Clews was fully aware of my existence. Often, at prestigious classic motorcycle race meetings, CCM Motorcycle staff would set up its stand next to our stand advertising the CCM Britain business and including the CCM and Clews Stroka name and trade mark(s).

Further, we had been producing parts for the pre 65 classic scrambling market for some time, as they ran a class for pre 1974 bikes to which an enhanced 1973 CCM may be competitive. We decided to refer to it as a “new build 1973 CCM”, yes if you put the two bikes together, you could see they were blatantly different bikes although close enough to be accepted as a racing replica. It proved very popular in the press, even winning “best in show” at a prestigious motorcycle event despite still having oily finger prints on it having only finished being build [sic] a few hours earlier.

Shortly after another feature in a motorcycle paper, I had a surprise phone call in the evening as I was preparing to go home. The gentleman introduced himself as Alan Clews and told me that if I had the engine and frame number of the bike featured in the paper, he would be able to tell me who he had originally made it for, to which I had to say that I was awfully sorry, that this bike had been built from new parts that we made to keep his original bikes going. I asked if he was aware of what we did and also asked him if he had any problems with what we were doing, to which his reply was he was “really pleased that someone was keeping his old bikes alive”.

82. Mr Cook does not confirm when this conversation took place.

83. Statutory acquiescence provides a defence in circumstances in which the owners of an earlier trade mark or right have acquiesced (for a period of more than 5 years) to use of a later registration. However, as the First and Second Contested

Registrations had not been registered for a period of 5 years or more at the date on which the applications for invalidation were filed, statutory acquiescence cannot apply.

84. That leaves only common law acquiescence. I invited Mr Selmi to make submissions upon the application of acquiescence to proceedings based upon section 5(4)(a) in light of the judgments in *Marussia Communications Ireland Ltd v Manor Grand Prix Racing* and *Martin y Paz* as summarised in *Kerly's Law of Trade Marks and Trade Names* as follows:

“17-107 The issue was considered by the English High Court, sitting as a EU trade mark court, in *Marussia Communications Ireland Ltd v Manor Grand Prix Racing*, in which Males J relied on the decision of the CJEU in *Martin y Paz* in coming to the conclusion that defences of estoppel and acquiescence were not available to defendants under the EUTM. The defendant in that case did not argue that substantive national defences were not available to defeat infringement claims, but instead contended that estoppel and acquiescence were procedural matters which fell within art. 129(3) of the EUTM Regulation. That contention was rejected by the court. As the law stands in the UK therefore, national defences of estoppel and acquiescence are not available to defendants in trade mark matters.”

85. Mr Selmi submitted that this section of *Kerly's* (and the cited judgments) refer to trade mark infringement cases rather than passing off claims. Mr Selmi submitted that common law acquiescence is a defence to passing off and as passing off is being “relied on as a sword” in this case, the same common law defences should apply to extinguish it.

86. Mr Selmi is, of course, correct that this section of *Kerly's* summarises the law in relation to trade mark infringement claims. However, the key principle that can be derived from these cases is that where the Directive has made specific provisions it is not open to individual member states to rely on national law to supplement or add to those provisions. In this case, the Directive does make provision in relation to defences in trade mark proceedings. This is reflected in section 48(1) of the Act which states as follows:

“48(1) Where the proprietor of an earlier trade mark or other earlier right has acquiesced for a continuous period of five years in the use of a registered trade mark in the United Kingdom, being aware of that use, there shall cease to be any entitlement on the basis of that earlier trade mark or other right –

(a) to apply for a declaration that the registration of the later trade mark is invalid, or

(b) to oppose the use of the later trade mark in relation to the goods or services in relation to which it has been so used,

unless the registration of the later trade mark was applied for in bad faith.”

87. This is not a passing off action per se; rather, the common law right of passing off is being relied upon as a ‘rule of law’ under sections 47 and 5(4)(a) to invalidate a trade mark. As the Directive has made clear provision in relation to a defence of acquiescence (i.e. that it will only apply where a trade mark has been registered for more than 5 years) it would not be correct to seek to rely upon a common law defence (i.e. a defence developed through national law) to circumvent this provision.

88. Nonetheless, I agree with Mr Selmi’s submission that where a national rule of law is being relied upon as ‘the sword’ for the purposes of section 5(4)(a), in this case a passing off right, it is necessary to consider the national law in its entirety for the purposes of determining whether there is in fact a passing off right capable of being relied upon at all. That is, when assessing a 5(4)(a) claim based upon passing off rights, it is necessary to ask the question: does the party bringing the claim have a passing off right upon which they can rely? If the answer to that question is ‘yes’, then common law acquiescence cannot then be used as an alternative to the statutory acquiescence defence set out under the Act. However, if some form of acquiescence on the part of the party bringing the claim means that there is, in fact, no passing off right at all then that is something that must, to my mind, be considered. If the circumstances are such that an applicant for invalidation is estopped from claiming passing off at all, then there will be no passing off right upon which to base a 5(4)(a)

claim. Acquiescence on the part of the applicant for invalidation may lead to such an estoppel arising. It is, therefore, necessary to consider the principles of acquiescence, not as a defence to a claim under section 5(4)(a), but in determining whether there is any passing off right upon which a 5(4)(a) claim can be based.

89. For the avoidance of doubt, in reaching my decision, I have, therefore, considered the question of whether the applicant had acquiesced to the proprietor's use of the First and Second Contested Registrations such that there could have been no passing off action upon which to base these invalidation proceedings. I do not consider that to be the case and, for the sake of completeness, I now set out my findings on this point below.

90. Mr Selmi's submission in this regard was as follows:

"The conclusion of my submission on this point is as follows. The proprietor was originally given "permission" to use those signs for spare parts and maintenance services from 2004 onwards. On the facts, that was not even necessary. He then set up a company specifically to further that objective and he continued for many years subsequently.

In those circumstances, in my submission, the cancellation applicant acquiesced to the proprietor's use of the Clews Stroka signs and the CCM Britain signs, and the proprietor says that it would be inequitable for the cancellation applicant to invalidate the trade marks on that basis."

91. Mr Selmi directed me to the judgment of Fry J. in *Willmot v Barber*¹³ in which five requirements were identified in order to establish acquiescence: (1) the defendant must have mistaken his legal rights; (2) he must have altered his position on the strength of his mistaken belief; (3) the claimant must have known of his right to restrain the defendant; (4) the claimant must have known of the defendant's mistaken belief; and (5) the defendant, in altering his position, must have been directly or indirect encouraged by the claimant.

¹³ (1880) 15 Ch D. 96

92. Mr Selmi, again, refers to *Wadlow*, which states:

“The present state of the law appears to be this. The irreducible minimum of the defence is that the defendant must have altered his position on the basis of an act, omission or representation of the claimant in such circumstances as to make it inequitable for the claimant to enforce his rights. The second and last of Fry LJ’s probanda probably remain essential, the others are relevant but not individually necessary.”

93. Halsbury’s Laws of England defines acquiescence as follows:

“The term ‘acquiescence’ is... properly used where a person having a right, and seeing another person about to commit, or in the course of committing, an act infringing that right, stands by in such a manner as really to induce the person committing the act, and who might otherwise have abstained from it, to believe that he assents to it being committed; a person so standing by cannot afterwards be heard to complain of the act. In that sense the doctrine of acquiescence may be defined as quiescence under such circumstances that assent may be reasonably inferred from it, and is no more than an instance of the law of estopped by words or conduct...”

94. In *Ramsden v Dyson*¹⁴ it was stated:

“Whether you call it proprietary estoppel, estoppel by acquiescence or estoppel by encouragement is really immaterial... [it] requires a very much broader approach which is directed rather at ascertaining where, in particular individual circumstances, it would be unconscionable for a party to be permitted to deny that which... he has allowed or encourage another to assume to his detriment.”

95. In *Dyson v Qualtex*¹⁵ Mann J stated:

¹⁴ [1866] LR 1 HL 129

¹⁵ [2004] EWHC 2981 (Ch)

“It is hard to see why, as a matter of principle, mere acquiescence or inaction on the part of a right owner (even if with knowledge of rights) should make it inequitable to insist on enforcement of rights in the future. However, if encouragement or the creation of expectation is added, then the picture changes.”

96. The picture created by the case law is that something more than mere inaction on the part of the complainant is required. I must be satisfied that the applicant or its predecessor in business encouraged that which it now complains of and that the proprietor has acted upon that encouragement. The question I must ask is whether the conduct that took place makes the applicant’s claim to now have a passing off right unconscionable.

97. The applicant, in this case, does not deny that it was aware of the proprietor and his activities. Indeed, the applicant claims to have consented to his use of the First and Second Contested Registrations for the purposes of his spare parts business and the proprietor does not deny that consent was sought. At the hearing, Mr St Quintin submitted as follows:

“Mr Cook’s activities were always with my client’s permission in any event. If I, for example, say “I am going to permit you to walk across my land to get from one place to another, that does not amount to an indication that you are entitled to own my land afterwards”. Similarly, a similar analogy applies here. “If I permit you to use my trade mark to refer to parts that you are producing, that does not permit you to register trade mark protection.”

98. I agree with Mr St Quintin. I do not consider this to amount to acquiescence for two reasons: 1) as I have noted above, use of the First and Second Contested Registrations to describe the goods with which your spare parts are compatible is not trade mark use; rather, it is descriptive use and 2) the applicant had given consent to this use for the very specific purpose of providing spare parts, which is entirely different from the registration of a national right in relation to the very goods in which the applicant itself trades.

99. The proprietor points to the conversation that Mr Cook claims to have had with Alan Clews regarding his business activities. It is not clear from Mr Cook's evidence when this conversation is said to have taken place. Without any indication from Mr Cook as to the date of this conversation, it is impossible for me to find that Alan Clews was acting on behalf of either the applicant or its immediate predecessor in title when this conversation took place. Further, Mr Cook provides no detail about the explanation he gave to Alan Clews about the nature of his business and his activities in relation to producing replica motorcycles. Given that the conversation appears to have related to one particular motorbike, even if there was acquiescence in relation to that particular motorcycle, I do not consider that this is the same as acquiescing to the commercial manufacture of motorcycles on a national basis under the same trade marks (or highly similar trade marks) as being used by the applicant itself.

100. Consequently, I do not find that the applicant has acquiesced to the proprietor's activities such that it would be estopped from bringing a passing off claim.

Concurrent rights

101. The proprietor also claims to have acquired concurrent rights in the Contested Registrations and relies upon these alleged rights as a defence to the application for invalidation. Again, given my finding above regarding the invalidation action against the Third Contested Registration, I need only consider this in relation to the invalidations against the First and Second Contested Registrations. In his skeleton argument, Mr Selmi summarised the proprietor's position in relation to this defence as follows:

“[...] Over many years trading using the Clews Stroka Signs and the CCM Britain Signs, the proprietor developed a concurrent right to continue using those signs and was therefore entitled to register those Trade Marks (this applies even if the original use had been actionable, which it was not, for instance by acquiescence). This defence is especially pertinent in circumstances where, with the passage of time, the public has come to

distinguish the proprietor's business as distinct from the cancellation applicant's (see Cook p.4; and the Lawson and Middleton witness statements)."

102. In *WS Foster & Son Limited v Brooks Brothers UK Limited* [2013] EWPC 19 (PCC) Iain Purvis QC, sitting as a Deputy Judge, stated that:

"61. The authorities therefore seem to me to establish that a defence of honest concurrent use in a passing off action requires at least the following conditions to be satisfied:

- (i) The first use of the sign complained of in the United Kingdom by the Defendant or his predecessor in title must have been entirely legitimate (not itself an act of passing off);
- (ii) By the time of the acts alleged to amount to passing off, the Defendant or his predecessor in title must have made sufficient use of the sign complained of to establish a protectable goodwill of his own;
- (iii) The acts alleged to amount to passing off must not be materially different from the way in which the Defendant had previously carried on business when the sign was originally and legitimately used, the test for materiality being that the difference will significantly increase the likelihood of deception."

103. The first issue with the proprietor's reliance on this defence is that, up until 27 April 2005 when Mr Cook's first company was incorporated and the decision was made to move from using the name "Cooks Competition Machines" to "CCM", there is no evidence that the proprietor's use of the First and Second Contested Registrations was anything other than descriptive i.e. used to describe the goods with which his products were compatible. The defence of honest concurrent use presupposes that both parties concerned have been using the disputed sign(s) to indicate origin of the goods. As there is no evidence that the proprietor (or its predecessor in title) was using

the First and Second Contested Registrations in this way until 27 April 2005, any use prior to that date cannot be considered for the purposes of this defence.

104. Secondly, the case law makes it clear that the first use of the sign complained of must be entirely legitimate i.e. not itself an act of passing off. However, as I have found above, the proprietor's use of the First and Second Contested Registrations from 27 April 2005 onwards was an act of passing off. Such use cannot, therefore, give rise to a defence of honest concurrent use.

105. Thirdly, even if I am wrong in my finding that the proprietor's use prior to 27 April 2005 could not support a finding of honest concurrent use, the change in the way that the marks were being used from that date onwards (so as to amount to an act of passing off) does, in itself, prevent the proprietor from relying upon this defence. In *WS Foster & Son Limited* Iain Purvis QC referred to the judgment of Mann J. in *Sir Robert McAlpine Ltd v Alfred McAlpine Plc [2004] EWHC 630 (Ch)* stating:

“McAlpine is also an illustration of one of the limits of the doctrine: if the Defendant starts to trade in a way which is materially different from the way in which he has legitimately built up his own goodwill, so as to cause confusion with the Claimant (in that case it involved a change in the use of the sign itself, by dropping the identifier ‘Alfred’, but other instances might involve a change of business practice such as moving to a different geographical area), then the honest concurrent use defence will not help him.”

106. The case law set out above states that the use on the part of the proprietor would have had to have been “legitimate” in order for this defence to be relied upon. Even if the proprietor had built up its own legitimate goodwill prior to 27 April 2005, when he subsequently started trading in a way that was materially different so as to cause confusion with the applicant this prevented any possible reliance on this defence as this use was no longer legitimate. Consequently, I do not consider this defence to be of assistance to the proprietor.

Final remarks

107. In reaching my decision under section 5(4)(a), I have not overlooked the fact that the Mr Cook has stated that the proprietor is, in fact, a non-trading company and that all sales have been conducted through a second company called Performance Engineering Services Ltd (“PES”). As the proprietor seeks to rely upon use prior to the application date for the Contested Registrations, it seems that the only logical explanation of the proprietor’s position is that any goodwill generated by PES would have accrued to the proprietor. I recognise that no explanation has been provided by the proprietor about this relationship and how any such goodwill or use might have accrued to it. However, even if the proprietor’s position in that regard is incorrect, then the result would be that the proprietor has no relevant goodwill under any of the marks and is therefore in, if anything, a worse position than it is in relation to my above findings. Consequently, I do not consider it necessary to consider that issue any further.

Section 3(6)

108. Section 3(6) of the Act states:

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

109. The relevant case-law covering trade mark applications made in bad faith can be found in the following cases: *Chocoladefabriken Lindt & Sprüngli*, CJEU, Case C-529/07, *Malaysia Dairy Industries*, CJEU, Case C-320/12, *Koton*, CJEU, Case C-104/18P, *Sky v Skykick*, CJEU, Case C-371/18, *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others*, [2009] RPC 9 (approved by the Court of Appeal in England and Wales: [2010] RPC 16), *Trump International Limited v DDTM Operations LLC*, [2019] EWHC 769 (Ch), *Copernicus-Trademarks v EUIPO*, General Court of the EU, Case T-82/14, *Daawat Trade Mark, The Appointed Person*, [2003] RPC 11, *Saxon Trade Mark*, [2003] EWHC 295 (Ch), *Mouldpro ApS v EUIPO*, General Court of the EU, Case T-796/17, *Alexander Trade Mark, The Appointed Person*, BL

O/036/18, *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch) and *Sky v Skykick* [2020] EWHC, 990 (Ch).

110. The law appears to be as follows:

- (a) While in everyday language the concept of 'bad faith' involves a dishonest state of mind or intention, the concept of bad faith in trade mark law must be understood in the context of trade: *Sky CJEU*.
- (b) Applying to register a trade mark without an intention to use it is not bad faith *per se*. Therefore, it is not necessary for the trade mark applicant to be using, or have plans to use, the mark in relation to all the goods/services covered by the specification: *Sky CJEU*.
- (c) The bad faith of the trade mark applicant cannot, therefore, be presumed on the basis of the mere finding that, at the time of filing his or her application, that applicant had no economic activity corresponding to the goods and services referred to in that application: *Sky CJEU*.
- (d) However, where the trade mark application is filed without an intention to use it in relation to the specified goods and services, and there is no rationale for the application under trade mark law, it may constitute bad faith. Such bad faith may be established where there are objective, relevant and consistent indications showing that the applicant had the intention either of undermining, in a manner inconsistent with honest practices, the interests of third parties, or of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark: *Sky CJEU*.
- (e) This may be the case where the exclusive right was sought as part of a strategy of using widely cast trade mark registrations as legal weapons for use against others in opposition proceedings and/or for the purposes of blocking applications by third parties: *Sky EWHC* and *Copernicus-Trademarks v EUIPO*.

- (f) A trade mark may be applied for in good faith in relation to some of the goods/services covered by the application, and in bad faith as regards others: *Sky CJEU*.
- (g) This may be the case where the trade mark applicant has included a specific term in the specification, such as 'computer games', with no intention of using the mark in relation to any such goods, simply to obstruct third parties from using or registering the same mark, or similar marks. It may also be the case where the applicant has included a broad term, such as 'computer software', with the intention of using the mark in relation to a particular sub-category of such goods/services, but no intention of using the mark in relation to all the other (sometimes very different) sub-categories of goods/services covered by the broad term, with the objective of obstructing third parties from using or registering the mark in relation to such goods/services: *Sky EWHC*.
- (h) In deciding whether there was a rationale for registering the trade mark in relation to any particular term, it is necessary to bear in mind that trade mark proprietors have a legitimate interest in seeking protection in respect of goods or services in relation to which they may wish to use the trade mark in future (even if were no plans to use the mark in relation to the goods/services at issue at the time of filing the application): *Sky EWHC*. It is therefore relevant to consider whether the goods/services in the contested application are related to those for which the mark has been used, or for which the applicant had plans to use the mark.

111. The following points are apparent from the pre-*Sky* case-law about registering trade marks in bad faith:

- (a) Although it may be a relevant factor, the mere fact that the trade mark applicant knew that another party was using the trade mark in another territory does not establish bad faith: *Malaysia Dairy Industries*.
- (b) Similarly, the mere fact that the trade mark applicant knew that another party used the trade mark in the UK does not establish bad faith: *Lindt, Koton*

(paragraph 55). The trade mark applicant may have reasonably believed that it was entitled to apply to register the mark, e.g. where there had been honest concurrent use of the marks: *Hotel Cipriani*.

(c) However, an application to register a mark is likely to have been filed in bad faith where the trade mark applicant knew that a third party used the mark in the UK, or had reason to believe that it may wish to do so in future, and intended to use the trade mark registration to extract payment/consideration from the third party, e.g. to lever a UK licence from an overseas trader: *Daawat*, or to gain an unfair advantage by exploiting the reputation of a well-known name: *Trump International Limited*.

(d) An application may also have been filed in bad faith where the trade mark applicant acted in breach of a general duty of trust as regards the interests of another party, including his or her own (ex) company or (ex) partners, or a party with whom there is, or had recently been, a contractual or pre-contractual relationship, such as a licensor, prospective licensor or overseas principal: *Saxon, Mouldpro*; or where a legal agreement prohibits such a filing.

112. The correct approach to the assessment of bad faith claims is as follows. According to *Alexander Trade Mark*, the key questions for determination in such a case are:

(a) What, in concrete terms, was the objective that the trade mark applicant has been accused of pursuing?

(b) Was that an objective for the purposes of which the contested application could not be properly filed? and

(c) Was it established that the contested application was filed in pursuit of that objective?

113. The trade mark applicant's intention (i.e. objective) is a subjective factor which must be determined objectively by the competent authority. An overall assessment is

required, which must take account of all the factual circumstances relevant to the particular case: *Lindt*.

114. The matter must be judged at the relevant date, which is the date of the application for registration: *Lindt*. In this case, the relevant dates are 20 February 2017, 26 February 2015 and 15 February 2016 respectively.

115. It is necessary to ascertain what the trade mark applicant knew at the relevant date: *Red Bull*. Evidence about subsequent events may be relevant, if it casts light backwards on the position at the relevant date: *Hotel Cipriani*.

116. A statement on the application form that the mark is in use, or there is a *bona fide* intention to use it may, if untrue, provide evidence supporting a bad faith case, but is not sufficient by itself to justify the refusal or cancellation of the registration: *Sky* CJEU.

117. An allegation of bad faith is a serious allegation which must be distinctly proved, but in deciding whether it has been proved, the usual civil evidence standard applies (i.e. balance of probability). This means that it is not enough to establish facts which are as consistent with good faith as bad faith: *Red Bull*.

118. The proprietor in these proceedings is a company, not Mr Cook himself. However, Mr Cook has confirmed that he is the sole director of the proprietor. Professor Ruth Annand, sitting as the Appointed Person, held in *Joseph Yu v Liaoning Light Industrial Products Import and Export Corporation* (BL O/013/15) that:

“22. [A] claim of bad faith is not avoided by making an application in the name of an entity that is owned or otherwise controlled by the person behind the application.”

119. I consider that the motives of Mr Cook can be attributed to the proprietor.

120. In its pleadings, the applicant submits as follows:

“21. The Proprietor of the trade-marks is known to the Applicant as a vendor of parts for motorcycles including those manufactured by the Applicant. The Proprietor of the subject marks was however not authorised to register the trade mark in question. By registering the aforementioned trade mark at the UKIPO without authorisation from the Applicant, in the knowledge of the Applicant’s earlier rights in the mark, the Proprietor has acted in bad faith. It has taken advantage of the relationship with CCM Motorcycles to appropriate its trade mark rights.”

121. In his skeleton argument, Mr Selmi summarised the proprietor’s position with regard to bad faith as follows:

“42. The arguments in respect of bad faith are very similar to those set out above in relation to Defences 4 (acquiescence) and 5 (concurrent rights). There can be no bad faith in circumstances where the proprietor was given permission to use the Clews Stroka Signs and the CCM Britain Signs for over a decade before the Trade Marks were registered – which on the facts was not necessary in any event since the cancellation applicant did not own goodwill in those Signs – and where the cancellation applicant legally acquiesced, giving rise to the proprietor’s concurrent rights in those Signs and entitlement to register them as Trade Marks. There is no question of the proprietor seeking to undermine the cancellation action’s interest or trying to obtain an exclusive right for purposes other than those falling with the essential functions of a trade mark. At the date of filing, the cancellation applicant had no right in those Signs, whereas the proprietor did, and the proprietor therefore (correctly) believed that it was entitled to the Trade Mark registrations.”

122. In his witness statement, Mr Cook explains that the proprietor had come into contact with people who had purchased replica CCMs from third parties which were not of a good standard or were not compatible with the parts made by the proprietor. This, Mr Cook states, was part of the motive for registering the Contested Registrations.

123. At the hearing, Mr Selmi submitted that mere knowledge of another party's use of the trade marks does not establish bad faith. The case law tells us that that is correct; there must be something else involved to justify a finding of bad faith.

124. I have already found that the applicant owned the goodwill in the First and Second Contested Registrations at that relevant dates. The proprietor was clearly aware of the cancellation applicant and had had a prior commercial relationship with it, to the extent that consent had been requested for his use of the First and Second Contested Registrations in relation to making spare parts for classic motorbikes. The proprietor's actions in subsequently registering the First and Second Contested Registrations, in the knowledge of the applicant's use of, and goodwill in, them and the agreement between the parties that the proprietor could use them for specific purposes, is enough to establish a prima facie case of bad faith.

125. The proprietor's pleaded case is that it believed it was entitled to register the First and Second Contested Registrations because it had acquired its own rights in the marks due to its use when making spare parts over a period of a number of years. The proprietor also puts forward the explanation that the "CCM" abbreviation came from a shortening of his own business name (Cooks Competition Machines). Further, Mr Cook suggests that because the applicant's predecessor in title went into voluntary liquidation at some point in 2004, he considered that he was free to register these marks. As noted above, Mr Cook states that he was concerned about the use being made of the marks by third parties.

126. I do not find Mr Cook's explanation on behalf of the proprietor to be convincing. Firstly, Mr Cook himself states that he had followed the trade of CCM motorbikes for a long period of time. It was his interest in these motorbikes that led to him to ask permission to use the First and Second Contested Registrations for the purposes of making spare parts. I find it hard to believe that he was unaware of the continued use of the First and Second Contested Registrations (or similar CCM signs) by the applicant after the assets were purchased from its predecessor in title. I recognise that the use of CCM on the part of the proprietor, according to Mr Cook, developed from an abbreviation of his business name "Cooks Competition Machines". However, given that this business name was structured very closely to the original name of the

business making CCM motorbikes (Clews Competition Machines) and the proprietor's knowledge of and association with the applicant, I consider it likely that the change in name was, at least in part, based upon a desire to be more closely aligned with the goodwill in the CCM name.

127. Ultimately, the proprietor's view of whether it acted correctly or not in registering the First and Second Contested Registrations is not relevant to the decision I must make; I must assess the proprietor's behaviour and state of knowledge by reference to the ordinary standards of honest people. There was a commercial relationship between the proprietor and the applicant, albeit an informal one. Both parties agree that consent was given to use the First and Second Contested Registrations for the purposes of making replacement parts. Even if Mr Cook mistakenly thought that he had acquired his own rights in the First and Second Contested Registrations, the decision to apply to register those registrations, in the knowledge that this would go well beyond the scope of the agreement between the parties and give the proprietor proprietary rights to signs that belonged to another business, is clearly not consistent with a party acting in good faith.

128. To my mind, the proprietor has acted in bad faith only in relation to those goods in respect of which I have found use of the First and Second Contested Registrations is liable to mislead the public. In relation to the other goods covered by the First and Second Contested Registrations, I see no reason to conclude that the proprietor has acted in bad faith.

129. I am not satisfied that the applicant has made out a prima facie case of bad faith in relation to the Third Contested Registration. I have already found that the applicant has been unable to establish that the Third Contested Registration was distinctive of the applicant at the relevant date. It is the applicant's own case that they had stopped using the same or similar signs as early as 1972. Mr Clews also states that "[f]rom 2004 onwards, once we had bought back the business and its assets from the liquidator all of the Cancellation Applicant's focus was on the design and manufacture of our latest models. It was not economically viable to produce parts for the old models

from the 1970s.”¹⁶ The applicant appears, therefore, to have made a conscious decision to stop making either motorcycles or motorcycle parts under signs similar or identical to the Third Contested Registration. The proprietor’s explanation that it thought it had built up its own goodwill in relation to this registration is far more convincing given the applicant’s decision to move away from use of its Clews Stroka brand and the amount of time that had passed since it had actually been used by them. Undoubtedly, given his enthusiasm for the motorcycle business, Mr Cook would have been aware that the applicant was no longer selling such goods under the Clews Stroka brand. This action on the part of the proprietor may very well be opportunistic, but I do not consider it to amount to bad faith.

130. The applications for invalidation based upon section 3(6) against the First and Second Contested Registrations succeed in relation to the following goods only:

Class 12 Motorbikes; motors, engines and gearboxes for motorbikes: motorbike frames, saddles, handlebars; parts and fittings for all the aforementioned goods.

Class 16 Printed matter and publications; service, parts and accessory manuals and catalogues for motorbikes.

131. The application for invalidation based upon section 3(6) against the Third Contested Registration fails.

CONCLUSION

132. The applications for invalidity directed against the First and Second Contested Registrations are partially successful and the First and Second Contested Registrations are hereby declared invalid in respect of the following goods:

¹⁶ First Witness Statement of Alan Clews, para. 28

Class 12 Motorbikes; motors, engines and gearboxes for motorbikes: motorbike frames, saddles, handlebars; parts and fittings for all the aforementioned goods.

Class 16 Printed matter and publications; service, parts and accessory manuals and catalogues for motorbikes.

133. Under section 47(6) of the Act, the registrations are deemed never to have been made in respect of these goods.

134. The applications for invalidity directed against the First and Second Contested Registrations are unsuccessful in relation to the following goods for which the First and Second Contested Registrations can remain registered:

Class 16 Photographs and pictures; posters; stationary; stickers and tattoos (removable).

Class 25 Clothing, footwear, headgear.

135. The application for invalidity directed against the Third Contested Registration fails in its entirety.

COSTS

136. The applicant has enjoyed the greater degree of success in relation to the applications for invalidation against the First and Second Contested Registration. The proprietor has been successful in relation to the application for invalidation against the Third Contested Registration. As the applicant has enjoyed the greater degree of success in relation to two of the consolidated cases it would ordinarily be entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. However, as these have only been partial successes and the proprietor has been successful in relation to the application for invalidity against the Third Contested Registration, I will make an appropriate reduction in the award of costs

made. In the circumstances, I award the applicant the sum of **£1,300** as a contribution towards its costs. This sum is calculated as follows:

Preparing statements and considering the proprietor's statements	£200
Filing evidence and considering the proprietor's evidence	£400
Preparing for and attending the hearing	£300
Official fee (x2)	£400
Total	£1,300

137. I therefore order CCM Britain Ltd to pay Jumptec Limited t/a CCM Motorcycles the sum of £1,300. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 10th day of November 2020

S WILSON

For the Registrar