

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 11037
BY LEX SERVICE PLC FOR REVOCATION
OF AND A DECLARATION OF INVALIDITY
IN RESPECT OF REGISTRATION No 2120065
STANDING IN THE NAME OF SKODA AS**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No 11037
by Lex Service Plc for revocation of and a
declaration of invalidity in respect of registration
No 2120065 standing in the name of Skoda AS**

DECISION

1. Trade mark No 2120065 is registered for the following services:

Class 35

Management; advertising; promotion; marketing; sales and publicity services; information, consultancy and advisory services relating thereto; all relating to the car industry

Class 41

Organisation and provision of education and training; arranging and conducting conferences, seminars, symposiums, training courses; publishing services; all relating to the car industry

2. Strictly it is a series of two marks. The mark in each case is the word LEX. Nothing turns on the series point. I will simply refer to the registered proprietors' mark as LEX. The marks stand registered from the filing date of 6 January 1997.

3. By application dated 18 August 1999 Lex Service Plc applied for this registration to be revoked and declared invalid on the following grounds and as a result of the following circumstances. The applicants say they are the proprietors of numerous trade mark registrations consisting of or containing the word LEX. They refer specifically to the following:

No	Mark	Class	Specification
1436445	LEX	12	Motor land vehicles and parts and fittings therefor; all included in Class 12.
1436446	LEX	37	Repair, maintenance, cleaning and painting of motor land vehicles; vehicle service stations; all included in Class 37.
1436447	LEX	39	Loan, rental, hire or leasing of

motor land vehicles; all included in Class 39.

Brief details of their other registrations are given in the Annex to this decision.

4. Objection is said to arise under Section 46(1)(d) insofar as any use that has been made of the registration under attack is liable to mislead the public particularly as to the origin of those services.

5. Objection arises also under Section 47(2) having regard to the provisions of Section 5(2) and 5(3) having regard also to the extensive use that has been made of the applicants' own registrations.

6. Finally there is an objection under Section 3(6) that the registration was originally filed for in bad faith. The objection is put on a number of different basis which I will come to in due course.

7. The applicants filed a counterstatement which denies the above grounds. It seems that both the statement of grounds and counterstatement underwent amendment during the course of the proceedings. I have based the above on the amended versions. Both sides have also requested an exercise of discretion in their favour. I do not consider that I have any general discretionary power of this kind.

8. Both sides have asked for an award of costs in their favour.

9. Both sides filed evidence. The matter came to be heard on 20 November 2001. The registered proprietors were not represented at the hearing but filed written submissions which I take into account. The applicants for revocation/invalidity were represented by Mr A Roughton of Counsel instructed by D Young & Co.

Applicants' evidence

10. The applicants have filed three statutory declarations and one witness statement as follows:

David Alistair Galloway	-	22 June 2000
Jacqueline Lake	-	18 December 2000
Peter Harris	-	27 February 2001
Jeremy Pennant	-	23 February 2001

The latter three are by way of reply evidence.

11. Mr Galloway is a Director of Lex Service Plc. He says that the company first used the trade mark LEX in 1928. A copy of the report and accounts for 1999 is exhibited (Exhibit 1) to show the various interests of the company most notably in the motor trade. The annual value of the services supplied by the company are said to be as follows:

Year	£ Total for the Group
1993	£1,176m
1994	£1,423m
1995	£1,557m
1996	£1,564m
1997	£1,490m
1998	£1,139m
1999	£1,299m

12. In addition the company spends approximately £10-20 million on advertising its goods and services. Examples of advertisements are shown at Exhibit 2 along with an internal directory (Exhibit 3) showing the scope and extent of trade throughout the UK.

13. Lex is also the parent company of RAC Motoring Services (a more recent acquisition) and the British School of Motoring. Mr Galloway suggests that the ownership of these businesses reinforces the association between the LEX name and the car industry.

14. Mr Galloway's evidence is later supplemented by information provided by Mr Harris, who is also a Director of Lex Service Plc. In particular he gives a breakdown of turnover figures between the various divisions and subsidiaries of Lex Service Plc. By and large LEX is used as a corporate or trading title not only of the principal group company but also its various divisions and subsidiaries.

15. Mr Harris says that Lex Vehicle Leasing Ltd is the UK's leading car and van leasing company. The company is not tied to any car manufacturer and is able to provide whatever car the client requires irrespective of make and model. The following exhibits are supplied:

PH1	-	a breakdown of turnover for the various divisions and subsidiaries
PH2	-	copies of website pages showing that Lex have supplied Skoda cars
PH3	-	photographs taken from a publication dealing with this history of LEX along with samples of various group advertising and corporate awareness brochures
PH4	-	press coverage cuttings from 'The Lex Report on Motoring' for 1996
PH5	-	copies of earlier Lex Reports on Motoring dating back to 1989
PH6	-	copies of various other special reports on sub-sectors of the motoring trade

PH7 - a copy of the report and accounts for 1960 intended to illustrate the long established involvement of the company with the car industry.

16. The purpose of this evidence is twofold. It is intended both to establish the applicants' own reputation and to support their claim that the registered proprietors could not have been unaware of them when they applied to register the mark.

17. Ms Lake is a Director of Farncombe International, a firm of investigation agents. She was instructed by the applicants' trade mark attorneys to make enquiries into use of the trade mark LEX by the registered proprietors in the UK. Exhibits JML1 to 4 deal with the instructions given to her and the reports she produced. Briefly the results of these investigations were that it is understood that Skoda apply the trade mark LEX to a customer care programme in Czechoslovakia, Germany and other European countries but not the UK. I note that enquiries with the Czechoslovakian Skoda Customer Care Line resulted in the response (from a Jan Prochazka) that the company did not use the mark LEX in the UK because of a conflict of interest. This was further explained as meaning that there was "another company in the UK using the brand name LEX which prevented them from doing so".

18. Finally Mr Pennant, the applicants' trade mark attorney, provides under cover of a witness statement, a letter from the Society of Motor Manufacturers and Traders Ltd responding to an enquiry as to what LEX means in relation to the car industry.

Applicants' evidence

19. The applicants filed an affidavit dated 7 September 2000 by their General Counsel, Dr Josef Hajik (an uninitialled amendment to the name has left the precise spelling unclear).

20. Dr Hajik firstly gives evidence as to how the mark was devised and adopted in 1993. It was conceived by a German company, Intercom Customer Relations GmbH for use in relation to the company's dealership network. Exhibit AB1 is a statement made on behalf of Intercom Customer Relations. It appears to have been prepared for the purposes of these proceedings rather than an original document and does not identify the writer. It is of extremely dubious evidential value.

21. Dr Hajik goes on to deal with use of the mark (Exhibit AB2). In terms of establishing use in the UK the material is almost entirely without value. A copy of an international trade mark application designating a number of European countries is exhibited at AB3. A copy of the UK examination report is exhibited at AB4. Finally Dr Hajik exhibits at AB5 a number of other 'LEX' marks on the UK register in the Classes covered by his company's registration and those of the applicants.

22. That completes my review of the evidence.

23. I will deal firstly with the objections under Section 47(2). This reads:

"47.-(2) 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)
unless the proprietor of that earlier trade mark or other earlier right has consented to the registration."

24. The applicants rely on Section 5(2)(a) and (b) and Section 5(3) which read:

"5.-(2) A trade mark shall not be registered if because -

- (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
- (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

5.-(3) A trade mark which -

- (a) is identical with or similar to an earlier trade mark, and
- (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."

25. Starting with Section 5(2) I was referred to and accept that I must take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723.

26. The applicants have a large number of registrations but the three referred to at the start of this decision appear to represent their best position. They are for the mark LEX in plain block capitals. Self evidently that mark is identical to the first mark in the registered proprietors' series and nearly identical to the second mark in the series. The applicants' own registrations cover a range of goods and services in Classes 12, 37 and 39. They are not in the same Classes as the registered proprietors' services and are thus not identical to those services. At the hearing I invited Mr Roughton to indicate which services he considered to be similar to his client's goods and services. He conceded (realistically in my view) that the majority of the

services were not sufficiently close to be considered similar for Section 5(2) purposes even allowing for the common link that they are "all relating to the car industry". Those for which he did contend similarity were management services (which it is said would include vehicle fleet management) and promotion and sales services in Class 35.

27. In approaching this matter the distinctive character of the earlier trade marks must be taken into account both in terms of the inherent attributes of the mark LEX and any enhancement arising through use. I will consider the latter in rather more detail below. Suffice to say for present purposes that I regard the mark LEX to be a strong one.

28. The terms used in the registered proprietors' specification are non-specific in character and in themselves give little indication as to the precise services it is intended to offer. Some assistance is available from Dr Hajik's description of his company's intentions. He says that:

"My Company adopted the mark LEX to describe its customer care services, the organisation of educational programs, conferences, symposiums and consultancy and advisory services relating to customer care in 1993."

29. But that statement does not go very far to explaining the nature of the management, promotion and sales services. In any case the registered specifications are not restricted to the precise services as described by Dr Hajik.. I must consider normal and fair use within the broad terms used in the specifications and not just intended use that may not extend, or may not immediately be intended to extend, to the full breadth of the specifications.

30. Mr Roughton was in my view quite correct to say that the term "management ... services ... all relating to the car industry" might include vehicle fleet management services. Such services must, I think, involve decisions on whether to buy, rent or lease vehicles. On that basis the applicants' services in Class 39 seem to me to be closely related in terms of use and users and would in any case be complementary to or part of an overall fleet management programme.

31. In terms of Dr Hajik's above statement the registered proprietors' promotion and sales services appear to be in the nature of a customer care programme aimed at improving the capability of the dealership network. I assume it would include services relating to sales techniques. But again there is no such limit on the Class 35 specification. The term sales services might also, for instance, include the provision of sales analyses, the provision of sales promotion services for others, the provision of a central sales force etc. Even so it is not clear to me that such activities are similar to any of the goods and services covered by the applicants' specifications. It is true that the applicants are engaged in the business of selling cars but their registrations in Classes 12, 37 and 39 do not obviously involve the provision of services similar to promotion and sales services. On the whole, therefore, I am inclined to think that, with the exception of 'management services' the applicants do not succeed under Section 5(2).

32. Turning to Section 5(3) its purpose and scope have been considered in a number of cases including General Motors Corp. v Yplon SA (Chevy) [1999] ETMR 122 and [2000] RPC 572, Premier Brands UK Limited v Typhoon Europe Limited [2000] FSR 767 (Typhoon), Daimler Chrysler v Alavi (Merc), C.A. Sheimer (M) Sdn Bhd's TM Application (Visa) 2000 RPC 484

and Valucci Designs Ltd v IPC Magazines, 0/455/00 (Loaded).

33. In Loaded Simon Thorley QC, sitting as the Appointed Person noted that in an attack under Section 5(3) it will be necessary for the tribunal to consider:

- "(i) whether the trade mark opposed is identical with or similar to the earlier trade mark
- (ii) whether the trade mark opposed is sought to be registered for goods or services which are not similar to those for which the earlier trade mark is protected
- (iii) whether, and to what extent, the earlier trade mark has a reputation in the United Kingdom
- (iv) whether the use of the later trade mark is "without due cause"
- (v) whether the use of the later trade mark
 - (a) takes unfair advantage of; and/or
 - (b) is detrimental to

the distinctive character or the repute of the earlier mark."

34. I have already found that points (i) and (ii) have been made out, the latter in relation to all bar one item in the registered proprietors' specification.

35. In relation to (iii) the guidance from the Chevy case is that in order to enjoy protection extending to non-similar products or services a registered trade mark must be known by a significant part of the public concerned by the products or services which it covers. In particular "the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use and the size of the investment made by the undertaking in promoting it".

36. The registered proprietors' position is reflected in the following passage from their written submissions:

"The reputation claimed by the Applicant's is not made out by their evidence. Any reputation which they could claim must be limited to the goods for which the earlier marks forming the basis of the action are protected, namely vehicles. The evidence of the Applicants does not identify to what extent the sales figures referred to in Paragraph Four relate to vehicles and to what extent they may relate to associated services. It is submitted that these figures must therefore be disregarded. The amount of advertising expenditure furthermore does not differentiate between advertising of the Applicant's vehicles and advertising of their services. For this reason the figure given should also be disregarded. In any event, the amount spent on advertising in the

car industry is not a reliable indicator of the relative reputation of that company's trade marks."

37. Purely as a question of fact the registered proprietors are wrong to say that the applicants' earlier trade marks only cover vehicles. They are not so restricted and cover goods and services in Classes 12, 37 and 39 as set out at the start of this decision. There are also the other marks brief details of which appear in the Annex to this decision and all of which share the corporate identifier LEX. The registered proprietors are, however, correct in one respect. The applicants' evidence does not readily yield disaggregated information on the extent of their trade under the mark LEX in relation to the particular goods and services which are the subject of their earlier trade mark registrations. Thus the turnover figures given in Mr Galloway's evidence is an agglomeration of all the applicants' trade under the mark. Some care is needed in establishing the specific nature of that trade and whether it took place before the material date of 6 January 1997. It is, of course, only the reputation of the mark arising from and in respect of a trade in the goods and services covered by the earlier trade marks up to that date that can be considered.

38. I have already outlined the general nature of the evidence on which the applicants rely. I draw the following conclusions by reference to the detail:

- the LEX Group has a long established trading history dating back to 1928 when it started life as a garage chain (Exhibit PH3).
- it is now a stock exchange quoted company and said (in 1994) to be in the top 150 companies ranked in terms of sales (Exhibit PH6).
- a breakdown of trading activity by operating areas within the Group (and indicating whether or not they use the LEX name) is at Exhibit PH1. I note that Lex Retail Group Ltd and Lex Vehicle Leasing are the strongest contributors to Group sales accounting for in excess of £1 billion of turnover in most years from 1993 onwards. Lex Autocentres contributed lesser but still significant sums (over £30m in 1997).
- the activities of these operating arms appear to correspond broadly to the areas of trade covered by the applicants' earlier trade marks in Classes 12, 37 and 39.
- further information on and confirmation of this position can be found in the introduction to the Lex Report on Motoring for 1994 (I have used that report because it is indicative of trade within the relevant timeframe. Other of the Reports are after the relevant date). Exhibit PH6 refers.
- in particular I note that Lex Retail has represented most major car and commercial vehicle manufacturers as well as conducting a trade in used cars.
- Lex Vehicle Leasing is said to provide full service contract hire for passenger cars and light vans. It is said to be the 'largest specialist contract hire company in the UK with a fleet of 55,000 vehicles representing most makes of cars and

vans.

- further confirmation of the long standing nature of the Group's trade can be found in the 1960 Report and Accounts at Exhibit PH7 (see in particular the Chairman's review).
- the exhibits (2) demonstrating advertising activity are not particularly useful being largely after the relevant date. The registered proprietors also say that the advertising does not distinguish between vehicles and associated services. This is not altogether surprising but I note that some of the advertisements cover both vehicle sales and car servicing.

39. Taken as a whole I regard the evidence as establishing that the applicants have a significant trade and reputation under the mark LEX in relation to the goods and services of their earlier trade marks in Classes 12, 37 and 39. I have not referred to the content of the Lex Reports on Motoring other than to the extent that the introduction to the 1994 Report gives a useful snapshot of trading activity within the relevant timeframe. In other respects what the Reports arguably show is a trade in goods (the documents themselves) and/or research services which are not covered by the earlier trade mark registrations. However, the Reports serve indirectly to promote and keep in the public eye the core goods and services which the Group offers. It is also in my view fair to say (as indeed Mr Roughton did) that the Reports and the extensive references to them in the press (Exhibit PH4) are a tacit recognition of the standing of the Group. In short the applicants have established their position under (iii) above.

40. I will deal with point (iv) below after considering whether the adverse consequences envisaged by the Section have been made out. In approaching the question of whether use of the proprietors' mark would take advantage of or be detrimental to the distinctive character or repute of the earlier trade marks I bear in mind the following guidance from the reported cases:

- the provision is not intended to give marks "an unduly extensive protection" there must be actual detriment or unfair advantage (not merely risks) which must be substantiated to the satisfaction of the national court or tribunal (paragraph 88 of Pumfrey J.'s judgment in the Merc case);
- the stronger the earlier mark's distinctive character and reputation the easier it will be to accept that detriment has been caused to it (paragraph 30 in the Chevy case);
- the provision is not aimed at every sign whose use may stimulate the relevant public to recall a trade mark which enjoys a reputation with them (per Neuberger J. in the Typhoon case);
- confusion as to the trade source of the goods or services offered for sale under the later mark is not a necessary condition before there can be detriment, but is one form of detriment (paragraph 88 of Pumfrey J.'s judgment in the Merc case);

- unfair advantage can take the form of feeding on the fame of the earlier mark in order to substantially increase the marketability of the goods or services offered under the later trade mark (per G Hobbs QC in Visa at page 505, lines 10-17).

41. In considering the question of detriment I also find it useful to assess the position by reference to the factors identified in Audi-Med Trade Mark, [1998] RPC 863 as follows:

- (a) *similarity of marks* - the respective marks are either identical or in the case of the second mark in the registered proprietors' series very closely similar;
- (b) *the inherent distinctiveness of the earlier trade mark* - in relation to the goods and services at issue the mark is an inherently strong one;
- (c) *the extent of the reputation enjoyed by the earlier mark* - I have already concluded that the applicants' mark enjoys a significant reputation. It would not, I think, be putting the matter too high to say that LEX is a market leader;
- (d) *the range of goods or services for which the earlier mark enjoys a reputation* - the reputation covers the range of goods and services covered by the specifications of the earlier trade marks in Classes 12, 37 and 39;
- (e) *the uniqueness or otherwise of the mark in the market place* - the registered proprietors say that "it is significant that there are a number of other LEX marks on the register in the Classes covered ...". (Exhibit AB5 refers.) The exhibited material is not helpful. It tells me something about the state of the register but nothing about the state of the market. So far as I am aware LEX is unique in the motor trade;
- (f) *whether the respective goods/services, although dissimilar, are in some way related or likely to be sold through the same outlets* - the fact that Lex Service have acted as distributors for Skoda cars is a measure of the closeness of the parties' respective activities. Although I have found that the majority of the registered proprietors' services are dissimilar to the goods and services of the applicants within the terms of the CANON test, they nevertheless share some points of similarity including a common customer base;
- (g) *whether the earlier mark will be any less distinctive for the goods/services for which it has a reputation than it was before* - taking all the above factors into account I consider that use of the registered proprietors' mark will result in a significant diminution in the distinctiveness of the applicants' mark. Confusion is not a pre-requisite for a finding under Section 5(3) but I consider it is a likely consequence here. In the Visa case Mr Hobbs said (page 505):

"I think it is clear that Sheimer would gain attention for its products by feeding on the fame of the earlier trade mark. Whether it would gain anything more by way of a marketing advantage than that is a matter for conjecture on the basis of the evidence before me. Since I regard it as

quite likely that the distinctive character or reputation of Visa International's earlier trade mark would need to increase the marketability of Sheimer's products more substantially than that in order to provide Sheimer with an unfair advantage of the kind contemplated by section 5(3) I am not prepared to say that requirement ... is satisfied."

I consider that use of the registered proprietors' mark in a closely associated services area would significantly increase the marketability of Skoda's services or alternatively cause detriment to the uniqueness and distinctiveness of the applicants' brand.

42. It still remains for me to consider whether, notwithstanding my finding of detriment, use of the registered proprietors' mark could be said to be with due cause.

43. The onus is on the registered proprietors to make out such a claim (*Premier Brands v Typhoon Europe* at page 792). The following further guidance is taken from the headnotes for that case:

"(12) The meaning of the phrase "without due cause" in section 10(3), did not mean "in good faith" or "for good honest commercial reasons" as this meaning would render the effect of the section unpredictable and in some cases unfair. The phrase had to be read as not merely governing the words "the use of the sign" but also as governing the words "takes unfair advantage of, or detrimental to".

(13) If the situation was such that a user of a mark was under such a compulsion to use that mark that he could not honestly be asked to refrain from so doing, regardless of the damage inflicted on the actual owner of the mark, then these circumstances would amount to "due cause" for the purposes of the section. Under this interpretation the defendant, though acting honestly, was acting "without due cause".

Lucas Bols v. Colgate-Palmolive (1976) 7 I.I.C. 420 referred to."

44. In his skeleton argument Mr Roughton suggested that the "only possible motivation in registering its (the proprietors') mark must be to take advantage of Lex in the UK". If that means the registered proprietors' intentions were dishonest I would not go as far as Mr Roughton. But it is clear from the above-mentioned case that a party can act honestly but still be acting without due cause. The test is an objective one rather than a subjective one. The proprietors' intentions are not the deciding factor. Their mark is as yet an unused one in this country (their evidence in this regard being wholly unconvincing). Within the terms of the test put forward in the *Premier Brands* case I cannot see that the registered proprietors can be said to be under such a compulsion to use their mark that they could not honestly be asked to refrain from so doing regardless of the damage inflicted on the owners of the earlier trade marks. The application is, therefore, successful under Section 5(3). I might just add that if I were found to be wrong in relation to my limited finding under Section 5(2) (in other words if the services concerned were, contrary to my view, not similar) then I would have included management services in my finding under Section 5(3).

45. This finding effectively decides the matter but for the sake of completeness I will deal briefly with two further grounds that have been raised. The first is under Section 47(1) and 3(6). Mr Roughton put his case as follows:

"A's [Lex's] case on this is bad faith. A says that P [Skoda] must have known about Lex in the UK and that any use by P in relation to motor vehicles must clearly have interfered with A's marks. P has not used its mark in the UK because it knew perfectly well that the moment there was any use then A would notice. Hence there can have been no intention to use."

46. The registered proprietors' evidence suggests that the mark was devised, in the circumstances described in Dr Hajik's affidavit, for use as a Europe-wide brand. It is claimed that use has been made of the mark in some fourteen countries. A pre-filing search did not reveal any conflicting marks including those owned by the applicants (almost certainly the Registry's cross-search would not have extended to the Classes covered by the applicants' registrations). Even if Skoda were aware of the applicants there is no reason to suppose that they would have known the full extent and nature of their trade. The position must in any case be judged as at 6 January 1997. In terms of the objection as framed by the applicants there is simply insufficient reason to suppose that the registered proprietors had no intention to use their mark at the time of filing.

47. The final ground is under Section 46(1)(d) which provides for revocation of a registration on the following ground:

"(d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services."

48. As there is no evidence that the mark at issue has been used in this country the objection seems to me to fall at the first hurdle. However Mr Roughton's skeleton argument put the objection on the following basis:

"A [Lex] says, simply, that due to the overwhelming reputation of Lex and its association with A, P's [Skoda's] use is bound to be misleading. A has to concede however (and for what the concession is worth) that the evidence of P's use in the UK appears to be thin or non-existent."

Further A says that s46(1)(d) does not require any actual use to be made but rather that if the liability to mislead is a consequence of use then the mark falls to be revoked. A says this because if it was actual use that formed the basis of the revocation then s46(1)(d) would speak of consumers actually being misled as opposed to the liability of consumers being misled."

49. In fairness to Mr Roughton the objection was not pursued with any great vigour at the hearing in the light of discouraging indications on my part as to the prospects of success. Contrary to the above submission that Section 46(1)(d) does not require any actual use, I

consider that the provision is directed towards circumstances where the public may be misled as a result of the actual use made of the mark by the proprietor. Otherwise plainer language is likely to have been used to indicate that the provision is intended to apply to potential as well as actual use. In other words the normal construction should be placed on the words ‘use made of it’. The use of the words ‘liable to mislead’ which underlies Mr Roughton’s submission does no more than provide for revocation when the actual use may have the effect of misleading even if no instances of the public being misled have yet come to light (see also the commentary on Sections 3(3)(b) and 46(1)(d) at paragraphs 9-91 to 9-93 of Kerly’s Law of Trade Marks and Trade Names, Thirteenth Edition). The Section 47(1)/3(6) and 46(1)(d) grounds fail accordingly.

50. The application has been successful under Section 47(2)/5(2) and 5(3). In accordance with Section 47(6) the registration is declared invalid and deemed never to have been made.

51. The applicants have been successful and are entitled to a contribution towards their costs. At the hearing Mr Roughton sought an award that would reflect particularly the additional enquiries and work undertaken by or on behalf of the applicants to refute Dr Hajik’s claim that his company’s mark had been used in the UK. The registered proprietors’ evidence is in my view so demonstrably unconvincing in establishing any claim to use in the UK that the applicants’ investigative enquiries were unnecessary. In any case this is not a non-use action. Save insofar as the applicants wished to maintain and argue the Sections 46(1)(d) and 47(1)/3(6) grounds (and I do not consider these were strong grounds) the additional work has not contributed significantly to their case. On the whole, therefore, I am disinclined to favour the applicants with an award beyond what they might in any case have expected as the successful party. I order the registered proprietors to pay the applicants the sum of £1200. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 12TH day of December 2001

M REYNOLDS
For the Registrar
the Comptroller-General

ANNEX

Applicants' trade mark registrations (brief details only)

No	Mark	Class(es)
1280914	LEX BROOKLANDS (Series)	12
1284921	LEX MEAD (Series)	12
1436445	LEX	12
1436765	LEX SERVICE	12
1547932	LEX CAR WORLD	12
1547933	LEX USED CAR WORLD	12
1564907	LEX AUTO SALES	12
1564910	LEX AUTO CENTRES	12
2005224	LEX COMMERCIALS	12, 37, 39
1403542	LEX GOLDSHIELD (Series)	36 (now lapsed)
1287141	LEX BROOKLANDS (Series)	37
1290814	LEX MEAD (Series)	37
1436446	LEX	37
1436766	LEX SERVICE	37
1564908	LEX AUTO SALES	37
1564911	LEX AUTO CENTRES	37
2004354	LEX BODY CENTRES	37
1399913	LEX MEAD (Series)	39
1436447	LEX	39

1436767	LEX SERVICE	39
1564909	LEX AUTO SALES	39
1564912	LEX AUTO CENTRES	39