

TRADE MARKS ACT 1994

**IN THE MATTER OF Application
No 9262 for the revocation of
trade mark registration No 290371 in
the name of Norton Motors (1993) Limited**

DECISION

On 26 March 1999, I heard an application for the revocation of trade mark registration No 290371. The applicant was represented by Mr M Edenborough of Counsel instructed by Forrester Ketley & Co, Trade Mark Attorneys. The registered proprietor was not represented.

For the reasons I gave at the conclusion of the hearing, which are recorded in the approved transcript of my decision (attached), I determined that the registration should be revoked in full with effect from 20 October 1996.

After hearing submissions from Mr Edenborough, I came to the view that the applicant is entitled to an award of costs in the sum of £1400. I subsequently gave the registered proprietor a short period of time to submit arguments against that the proposed award. No submissions were received. I therefore order the registered proprietor to pay the applicant the sum of £1400.

Dated this 11 Day of May 1999


**Allan James
For the Registrar
The Comptroller General**



1
2 THE PATENT OFFICE

3 MMNo. 57
4 Fes 74

Room 49,
Southampton Buildings,
London, WC2Y 1AY.

5 Friday, 26th March 1999

6 Before:

7 THE REGISTRAR'S PRINCIPAL HEARING OFFICER
8 (Mr. A. James)
9 (Sitting for the Comptroller-General of Patents, etc.)

10 - - - - -
11 In the Matter of THE TRADE MARKS ACT 1994

12 and

13 In the Matter of Registration No. 290371 of
14 NORTON MOTORS (1993) LTD. and Revocation thereof by
15 REGAL ENGINEERING CO. LTD. under Revocation No. 9262

16 - - - - -
17 (Transcript of the Stenograph Notes of Marten Walsh
18 Cherer Ltd., Midway House, 27-29 Cursitor Street,
19 London, EC4A 1LT. Telephone number: 0171-405 5010.
20 Fax number: 0171-405 5026.)

21 MR. M. EDENBOROUGH (instructed by Forrester Ketley) appeared for
the Applicant.

22 THE REGISTERED PROPRIETORS did not appear and were not
23 represented.

24 - - - - -
25 D E C I S I O N
26 - - - - -

1 THE HEARING OFFICER: On 21st October 1996

2 Regal Engineering Co. Limited applied for revocation of trade
3 mark number 290371. The trade mark is registered in the name
4 of Norton Motors (1933) Limited. This is a very old trade
5 mark. It was first registered in 1907. The trade mark at
6 issue consists of the letters B.S.A. It is registered in
7 class 12 for: "Cycles and motor cycles; parts thereof and
8 fittings therefor (not included in other classes) of common
9 metal" but not including "pedal bicycles and parts and
10 fittings thereof."

11 The ground for revocation is section 46(1)(b) of the
12 Trade Mark Act 1994 because it is said: "... there has been
13 no genuine use of the mark in the United Kingdom, by the
14 proprietor or with his consent, for an uninterrupted period of
15 more than five years, in relation to the goods for which it is
16 registered and no proper reasons for non-use."

17 The registered proprietor contends that the mark has
18 been used within the relevant five-year period. In the
19 alternative the proprietor contends that use began within
20 three months preceding the filing of the application for
21 revocation following earlier preparations made without
22 knowledge of the forthcoming attack on their registration.

23 In the further alternative the proprietor says that
24 there are proper reasons for non-use. Further the proprietor
25 says that section 46 of the Act is not mandatory and that the
26 Registrar should, if necessary, exercise discretion in its

1 favour. In support of this request the proprietor has pointed
2 out that the applicant for revocation owns a company which is
3 a licensee of the proprietor and that the mark at issue is a
4 famous mark.

5 Before describing the specific facts I think it will be
6 helpful to record some general background information which is
7 not in dispute.

8 In 1981 Norton Motors granted B.S.A. Company Limited a
9 non-exclusive licence to use the mark. In 1987 the terms of
10 the licence were restricted to motorcycles not exceeding an
11 engine capacity of 175cc.

12 In October 1993 the current proprietor took assignment
13 of the B.S.A. mark from Norton Motors Limited and agreed to
14 take over the licence of the B.S.A. Company Limited. In
15 December 1994 the applicant acquired the B.S.A. Group
16 including B.S.A. Company Limited.

17 The registered proprietor's evidence-in-chief consists
18 of a declaration dated 8th February 1997 by Myron Calof, who
19 is the secretary of Norton Motors (1993) Limited, the
20 registered proprietor.

21 Paragraph 12 of the Mr. Calof's decision is as follows:
22 "Since acquiring the business associated with the B.S.A.,
23 Piled Arms Device and NORTON marks, my Company has resumed
24 marketing of motorcycles under the trade mark, as well as
25 other activities involving the use of the Trade Mark, examples
26 of which are cited below:

1 "(a) In January, 1995 negotiations took place between
2 Aquilini Investment Group, who are the corporate
3 representatives of the major shareholders of my Company, and
4 Regal, regarding the use of the Trade Mark in the United
5 Kingdom.

6 "There are now produced and shown to me, marked Exhibit
7 'G' copies of letters from Regal to Aquilini and vice versa
8 forming part of those discussions.

9 "(b) In June and July 1996, a series of discussions took
10 place between B.S.A. Company and Aquilini regarding a possible
11 joint venture under the Trade Mark.

12 "There is now produced and shown to me marked
13 Exhibit 'H' a copy of a letter of June 17, 1996 from
14 B.S.A. Company and a letter from Aquilini Investment Group to
15 B.S.A. Company of July 19, 1996 forming part of those
16 discussions.

17 "(c) Between February 1995 and March 1996 my Company
18 received and accepted numerous purchase orders for B.S.A.
19 motorcycles bearing the Trade Mark for export from the United
20 Kingdom to Canada and the U.S.

21 "There is now produced and shown to me marked
22 Exhibit 'I' a copy of just a few of these purchase orders.

23 "My company has received other inquiries from motorcycle
24 buyers for B.S.A. model, production, delivery and pricing
25 information.

26 "(e) In May 1995 my company, as represented by its

1 aforementioned corporate representative Aquilini Investment
2 Group, was in serious discussion was Motorrad-UND Zweiradwerk
3 GmbH of Zschopau-Hohndorf, Germany ("MUZ") regarding the
4 production by MUZ of a line of B.S.A. motorcycles. Detailed
5 correspondence between the parties, as well as face to face
6 meetings, took place on such subjects as identification of
7 motorcycles with the Trade Mark, costing, legal and regulatory
8 requirements, continued, uninterrupted supply, promotional
9 materials, tours, factory training and spare parts.

10 "There is now produced and shown to me marked
11 Exhibit 'J' copies of correspondence regarding these
12 discussions.

13 "(f) In May, 1995, my company was negotiating a B.S.A.
14 distribution joint venture with an American joint venture
15 party.

16 "There is now produced and shown to me as Exhibit 'K'
17 copies of correspondence on this joint venture.

18 "(g) In April 1995, my Company and MUZ were negotiating
19 a joint venture for the production and distribution of
20 'Norton' and 'B.S.A.' motorcycles.

21 "There is now produced and shown to me as exhibit 'L'
22 copies of the correspondence on this joint venture.

23 "(h) between the fall of 1995 and spring of 1996 my
24 Company was negotiating with Amaquest Limited of Stevenage,
25 Hertfordshire, Great Britain, regarding partnership
26 arrangements in my Company which would have resulted in

1 recommencement of production under the Trade Mark.

2 "(i) I believe that during the past five years,
3 B.S.A. Co. has, as part of the UK business, distributed
4 B.S.A. Motorcycles and/or parts and spares using the Trade
5 Mark either in the UK and/or elsewhere in the world under the
6 said licence agreement.

7 "(j) My Company has continued to do business under the
8 Trade Mark as exemplified by the material attached hereto as
9 Exhibit 'M'."

10 In response to this evidence the applicant filed a
11 statutory declaration dated 6th May 1997 by
12 William B. Colquhoun, who is a director of the
13 B.S.A. Co. Limited.

14 The key parts of Mr. Colquhoun's evidence are as
15 follows:

16 "Between 1981 and 1987 B.S.A. Company Limited
17 manufactured and assembled its own design of motorcycles using
18 imported engines and other components. These machines, which
19 were under 175cc capacity, were marketed under the B.S.A.
20 name. They were sold in the UK and to certain foreign
21 countries (mainly Africa) and Spares were sold for these
22 motorcycles during the same period. Exhibit WBC2 is a true
23 copy of publicity material relating to such motorcycles.

24 "By 1987 the production of motorcycles had diminished
25 and B.S.A. Company Ltd. turned to producing fabrications,
26 (compressor bases for Compair Ltd.) Gun Cabinets and other

1 goods not related to the motor cycle industry.

2 "By 1989 B.S.A. Company Ltd. had no production or sale
3 of any motorcycles or spares using trade mark numbers 256613
4 and 290371 ("the B.S.A. marks")

5 "In 1991 B.S.A. Company Ltd. merged with Andover Norton
6 International Limited (ANIL) to form B.S.A. Group Ltd. At no
7 time after this merger in early 1991 were motorcycles or
8 spares made or sold with B.S.A. marks either from B.S.A.
9 Company Ltd. or from any other company in the UK.

10 "In October 1996 a 400cc motorcycle resembling the old
11 B.S.A. Gold Star and marked B.S.A. was shown to the press by
12 B.S.A.-Regal to gauge reaction and to stimulate export
13 markets. Exhibit WBC7 comprises true copies of typical news
14 articles resulting from that press release. No production or
15 sale of this product has taken place up to this date

16 "Thirteen separate Examples are referred to in
17 Myron Calof's Declaration and I will deal with these in the
18 order they are submitted in detail as none show any evidence
19 of use of the B.S.A. marks which qualifies to show use within
20 a period of 5 years prior to the Application for Revocation.

21 "Exhibit G. This correspondence simply confirms that
22 BSA-Regal Group Ltd. did seek to acquire the BSA name rights
23 and that the negotiations were fruitless.

24 "Exhibit H. This confirms there were discussions
25 between B.S.A-Regal Group and Aquilini Investment concerning a
26 joint venture but these proposals were wholly unacceptable to

1 BSA-Regal Group and did not proceed.

2 "Exhibit I. These are alleged to be three Purchase
3 Confirmations to purchasers of B.S.A. motorcycles. I believe
4 these orders to be fabrications for the following reasons:

5 "(a) No one would ever order a bike in this matter i.e.
6 400cc-750cc, single or four cylinder!

7 "(b) I regard it as significant that the customers'
8 actual orders were not included in the Exhibit and would like
9 to see these, if they exist.

10 "(c) I wrote to the three customers on 19th February
11 1997 and copies of my letters are attached as Exhibit WBC8 but
12 have, as yet, had no acknowledgement.

13 "(d) The Purchase Confirmation form appears to be
14 fabricated and I do not believe that both the Norton and
15 B.S.A. logos are included in these forms and again I would
16 like to see the original.

17 "(e) No motorcycles have been made or sold. I believe
18 that no plans, drawings, or evidence of producing B.S.A.
19 motorcycles can be produced by NML.

20 "(f) No member of NML's own staff have any knowledge of
21 such orders. We are in frequent conversations with the staff
22 at NML's plant at Shenstone and we have asked several
23 personnel there whether they know of orders for BSA
24 motorcycles. They have all replied that they have never heard
25 of these orders.

26 "(g) I am aware that NML use a specific type of form on

1 production build, an example of which is shown in
2 Exhibit WBC9, and I find it surprising that no such form has
3 been produced in evidence by NML if the motorcycles referred
4 to in these alleged Purchase Confirmations were ever
5 constructed.

6 "Exhibit J. This correspondence with MuZ in Germany
7 from Canada has no relevance to the position in the UK and no
8 action resulted from these discussions. There are no plans
9 for MuZ to make a motorcycle using the B.S.A. marks. MuZ is a
10 shareholder of MuZ Motorcycles Ltd. owning 45% of the company.
11 The remaining 55% is owned by B.S.A. Group Ltd.

12 "Exhibit K. This exchange of letters between Aquilini
13 and Mr. Plastino discussed distribution of motorcycles, made
14 by MuZ in Germany for sale in the United States also has no
15 bearing on the UK position. No motorcycles have been made
16 using the B.S.A. name, and to the best of my knowledge none
17 are planned by MuZ.

18 "Exhibit L. Further correspondence with MuZ which
19 discusses arrangements that have not materialised. MuZ was
20 placed in liquidation in September 1996. This correspondence
21 demonstrates the desperation of MuZ prior to going into
22 liquidation.

23 "Exhibit M. Evidence of incorporation of B.S.A. Motors
24 (1993) Limited is not relevant, as this is a dormant company,
25 and nothing in this Exhibit, contrary to Myron Calof's
26 statement shows that NML carried on any business under the

1 B.S.A. marks at that time."

2 In response to this the registered proprietor filed a
3 further statutory declaration dated 14th November 1997 by
4 Timothy George Pendered, a trade mark agent employed by
5 RGC Jenkins & Co. who represents the proprietor in these
6 proceedings.

7 Mr. Pendered gives evidence of the existence of the
8 B.S.A. Owners Club, also that the B.S.A. name continues to
9 feature in the motorcycle press, in publications such as
10 Classic Bike and Classic Bike Guide.

11 The relevant provisions of the Act are as follows:

12 Section 46(1): "The registration of trade mark may be
13 revoked on any of the following grounds:

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

17 Section 46(2): "For the purposes of subsection (1) use
18 of a trade mark includes use in a form differing in elements
19 which do not alter the distinctive character of the mark in
20 the form in which it was registered, and use in the United
21 Kingdom includes affixing the trade mark to goods or to the
22 packaging of goods in the United Kingdom solely for exports
23 purposes."

24 "46(3) The registration of a trade mark shall not be
25 revoked on the ground mentioned in subsection (1)(a) or (b) if
26 such use as is referred to in that paragraph is commenced or

1 resumed after the expiry of the five year period and before
2 the application for revocation is made:

3 "Provided that, any such commencement or resumption of
4 use after the expiry of the five year period but within the
5 period of three months before the making of the application
6 shall be disregarded unless preparations for the commencement
7 or resumption began before the proprietor became aware that
8 the application might be made."

9 Section 100: "If in any civil proceedings under this
10 Act a question arises as to use to which a registered trade
11 mark has been put, it is for the proprietor to show what use
12 has been made of it."

13 I can see nothing in section 46 of the Act that prevents
14 an applicant from specifying a five-year period of non-use
15 ending on the day before the application for revocation is
16 filed.

17 The registered proprietor's pleadings appear to assume
18 that the five-year period is deemed to end three months prior
19 to the date of the application for revocation. The
20 three-month period comes from the proviso to section 46(3) of
21 the Act. However, it is apparent from the wording of section
22 46(3) that the proviso only bites if use is commenced or
23 resumed after the expiry of the five-year period but before
24 the date of the application for revocation.

25 It appears to me that this is intended to serve the
26 limited purpose of preventing a situation arising whereby a

1 proprietor who becomes aware of an impending attack on his
2 trade mark registration for non-use can avoid the consequences
3 simply by rushing goods onto the market before the application
4 for revocation is actually filed. In those circumstances the
5 applicant can specify an earlier five-year period and raise
6 the question of whether any resumption of use within three
7 months of the application was provoked by the registered
8 proprietor's knowledge of the forthcoming attack on his
9 registration.

10 I see nothing in section 46 of the Act, unlike
11 section 26 of the 1938 Trade Mark Act which deems there to be
12 a gap between the end of the five-year period specified in
13 section 46(1)(b) and the date of the application, save that it
14 must be the case that the application cannot be made before
15 the day following the end of the five-year period in
16 question.

17 In this case the applicant did not specify a particular
18 five-year period in their application. In the absence of any
19 indication that an earlier five-year period was intended, I
20 believe I should consider the five-year period as that ending
21 on the day before the date of application, that is
22 20th October 1996. Consequently the relevant period is
23 21st October 1991 to 20th October 1996.

24 The Act distinguishes between "preparations for use" and
25 "genuine use". In my judgment all bar three of the examples
26 of use claimed in Mr. Calof's evidence can be characterized as

1 "preparations for use" rather than "genuine use" of the
2 mark.

3 The three exceptions are:

4 (1) The assertion that the company has continued to do
5 business under the B.S.A. trade mark. However, the material
6 exhibited by Mr. Calof to support this assertion is little
7 more than a certificate of incorporation of a company called
8 B.S.A. Motors (1993) Ltd. This proves nothing.

9 (2) The assertion that B.S.A. Company Limited has
10 distributed B.S.A. motorcycles and/or parts and fittings
11 either in the United Kingdom or elsewhere under the mark
12 during the relevant period. This is flatly denied in
13 Mr. Colquhoun's evidence on behalf of B.S.A. Company Limited.

14 (3) The claim that between February 1995 and March 1996
15 the registered proprietor received numerous purchase orders
16 for B.S.A. Motorcycles for export from the United Kingdom to
17 Canada and the USA. Three examples are contained in exhibit
18 (i) to Mr. Calof's evidence.

19 The applicant's evidence contains an allegation that
20 these documents have been fabricated. The registered
21 proprietor did not respond to that allegation in their
22 evidence in reply. Consequently, it stands undenied. Given
23 that the burden of proof is on the registered proprietor, that
24 alone appears to me to be sufficient to prevent me from
25 accepting this as evidence of genuine use. Further, in the
26 absence of evidence of the existence of relevant goods bearing

1 the trade mark at the relevant time, mere evidence of export
2 orders under the mark would, in any event, not qualify as use
3 of the mark in the United Kingdom under section 46(2).

4 There is one further point that deserves a mention
5 under this heading. The applicant states that they showed a
6 400cc motorcycle to the UK press in October 1996 and that this
7 motorcycle bore the B.S.A. mark. Apparently no goods were
8 available for sale at that time. Given that the applicant is
9 the owner a licensee of the registered proprietor, it is
10 possible that the mere act of seeking out orders for goods
11 under the trade mark could be regarded as use of the mark with
12 the proprietor's consent. However, it is not clear to me
13 whether this use was within the relevant period which, if I am
14 right so far, ended on 20th October 1996.

15 Further, given that the terms of the licence agreement
16 restricts the licensee's use of the mark to motorcycles of
17 175cc or less, it seems obvious that such use, even if it was
18 within the relevant period, could not be regarded as with the
19 proprietor's consent.

20 The registered proprietor's evidence contains a number
21 of categories of evidence relating to preparations for use of
22 the mark. There is the evidence of a proposed joint venture
23 between the registered proprietor and Motorrad-UND-Zweiradwerk
24 GmbH, which I shall hereafter refer to as MUZ.

25 Exhibits J to L to Mr. Calof's declaration provide a
26 quite detailed account of the exchanges that took place around

1 April/May 1995. It appears that plans to use the mark were
2 fairly advanced although they did not in the end come to
3 fruition. The proposal appears to have been for MUZ to
4 produce motorcycles in Germany which would be badged B.S.A.
5 and exported under the registered proprietor's B.S.A. mark to
6 North America.

7 Mr. Calof's letter of 1st May 1995 to MUZ, contained in
8 exhibit J to his declaration, includes the following
9 statements: "You presently manufacture several models of
10 motorcycles and will do so in the future. You will permit us
11 to purchase such of these models as we choose from time to
12 time. You will mark and identify the products we purchase
13 with such names, plates, logos, trade marks and other
14 identifying item as we advise, including the name 'B.S.A.'".

15 Also: "All products would be priced FOB ports of our
16 destination in the United States, Canada or Mexico as we
17 select. You would arrange for shipment to such ports."

18 It is difficult to identify any feature of these
19 proposals that was intended to bring out resumption of use of
20 the B.S.A. mark in the United Kingdom. On the contrary, the
21 idea appears to have been for the goods to be badged in
22 Germany and shipped by MUZ to North America. Even if it had
23 come about that would not have amounted to use of the mark in
24 the United Kingdom under section 46(2) of the Act.

25 Mr. Calof also gives evidence that at the end of 1995
26 negotiations took place between the registered proprietor and

1 a company called Amaquest Limited which he says would have
2 resulted in resumption of use the B.S.A. mark.

3 However, he provides no details of these negotiations.
4 The negotiations do not appear to have come to anything. In
5 the absence of more detailed information I do not consider
6 that this takes the proprietor's case any further forward.

7 Mr. Calof also prays in aid negotiations that took place
8 between the registered proprietor and the applicant during
9 January 1995 and again in June 1996.

10 The applicant appears to have initiated the first
11 discussions, which concluded with the letter dated
12 17th January 1995 from Mr. Calof which states: "For the time
13 being, we would have no interest in the licencing the B.S.A.
14 name for the manufacture of motorcycles or in giving you an
15 option to acquire the B.S.A. name for the same purpose".

16 It is not clear who initiated the later discussions.
17 Exhibit G to Mr. Calof's declaration includes a letter dated
18 19th July 1996 to B.S.A. Company Limited. A joint venture is
19 floated but this does not appear to have been acceptable to
20 the B.S.A. Company who at that stage were more interested in
21 acquiring the B.S.A. mark.

22 If I have correctly construed section 46 of the Act, the
23 registered proprietor's preparations to resume use of the mark
24 provide no defence to the attack on the registration. This is
25 because they did not precede resumption of use after expiry of
26 the five-year period and before the date of the application

1 for revocation. Thus, they do not fall within the conditions
2 set out in the first part of section 46(3) of the Act.

3 Even if my interpretation of 46(3) is incorrect with the
4 result that the relevant period should be regarded as the five
5 years ending on 20th July 1996, there is to still no evidence
6 of resumption of use before or indeed after 20th October 1996
7 which could provide a defence under section 46(3).

8 In the **Invermont** trade mark case (1997) RPC 125 the
9 Registrar's Officer decided that proper reasons for non-use
10 could include matters which affect only the business of the
11 registered proprietor.

12 I cannot see anything in the registered proprietor's
13 evidence which has been put forward as a proper reason for
14 non-use. However, for the avoidance of doubt, I should make
15 it clear that I do not regard the preparations for use
16 described earlier as proper reasons for non-use of the mark
17 during the relevant five-year period.

18 The registered proprietor also asks the Registrar to
19 exercise any discretion that he may have under section 46 of
20 the Act in his favour. This request is founded in the
21 proprietor's claim that B.S.A. is a famous mark for
22 motorcycles, and also that the applicant's attack on the
23 registration is incompatible with its status as the owner of a
24 licensee of the trade mark.

25 In the **Invermont** trade mark case, to which I have just
26 referred, the Registrar's officer also found that section 46

1 was not mandatory and that the Registrar therefore retained a
2 discretion not to revoke a registration. He based this on the
3 use of the word "may" in section 46(1) of the Act. This is in
4 line with the usual approach to the interpretation of English
5 statute based law. "May" usually means may and not shall.

6 The 1994 Act implements EC Directive 104/89. Section 46
7 is intended to implement articles 10, 12 and 13 of that
8 directive. Article 10(1) of the directive is as follows: "If
9 within a period of five years following the date of the
10 completion of the registration procedure the proprietor has
11 not put the trade mark to genuine use in the member state in
12 connection with the goods or services in respect of which it
13 is registered or if such use has been suspended during an
14 uninterrupted period of five years the trade mark shall be
15 subject to the sanctions provided for in this directive unless
16 there are proper reasons for non-use."

17 The words: "... shall be subject to the sanctions
18 provided for in this directive unless there are proper reasons
19 for non-use" do not appear to me to leave room for an exercise
20 of discretion in the registered proprietor's favour.

21 The eighth recital to the directive appears equally
22 emphatic. It states: "Whereas in order to reduce the total
23 number of trade marks registered and protected in the
24 community and consequently the number of conflicts which arise
25 between them, it is essential to require that registered trade
26 marks must actually be used or if not used be subject to

1 revocation."

2 Nevertheless, Robert Walker J (as he then was) appears
3 to have accepted in the case of **United Biscuits (UK) Limited**
4 **v. Asda Stores** (1997) RPC 513 at 540, lines 7 to 11, that
5 there is a general discretion not to revoke a trade mark. It
6 is not clear whether the point was argued before the judge.

7 Be that as it may, Mr. Edenborough (for the applicant)
8 took the position that I was bound by the decision of the High
9 Court. This presents me with some difficulty because in two
10 later cases, **Zippo** trade mark (1999) RPC 173 and **Floris** trade
11 mark, SRIS 0/078/99 (as yet unreported), the Registrar's
12 Hearing Officers have taken the position that section 46 is
13 mandatory. I agree with that view. Nevertheless, in case
14 that is wrong or I am found to be bound by the decision of the
15 High Court referred to earlier I will go on and address the
16 case for an exercise of discretion.

17 I have no hesitation in finding that the applicant's
18 position as to the owner of a licensee of the registered
19 proprietor is no basis for exercising discretion adversely to
20 the applicant. It is quite clear that the restriction in the
21 terms of licence to motorcycles of 175cc or less made the
22 terms of the licensee incompatible with the applicant's
23 commercial objectives and probably contributed to the non-use
24 of the mark. After seeking to resolve the situation in other
25 ways they were, in my view, quite entitled to apply for
26 revocation of the trade mark through non-use.

1 The proprietor also prays in aid the continuing
2 recognition of the mark in the marketplace as a reason for the
3 Registrar to exercise any discretion he may have in his
4 favour. However, I see no basis for providing better known
5 marks with additional protection against revocation for
6 non-use than less well-known marks.

7 The Directive and the Act provides additional protection
8 for marks with a reputation in certain circumstances, but
9 non-use is not one of them. I cannot see that it would be
10 right to grant an additional tier of protection for marks with
11 a reputation under the guise of discretion. Even if this is
12 wrong, any reputation that the registered mark has appears to
13 be of historical significance.

14 I conclude that, if there is a discretion, there are no
15 reasons to exercise it in the registered proprietor's favour.
16 It follows from these findings that registration number 290371
17 will be revoked in its entirety. The effective date of
18 revocation will be 20th October 1996 which is the end of the
19 five-year period in question.

20 There remains the question of costs. At the hearing
21 before me early earlier today Mr. Edenborough for the
22 applicant asked to formally amend the applicant's pleadings so
23 as to include a request for costs. I accepted that because it
24 is to be assumed that costs will follow the event unless there
25 are exceptional circumstances.

26 Mr. Edenborough also asked me to make an award of costs

1 off the Registrar's usual scale. He telegraphed this proposal
2 several days before the hearing by way of an outline
3 argument. The reasons for the request are twofold; both
4 relate to the conduct of a proprietor. First, there is an
5 allegation that the proprietor fabricated evidence in order to
6 maintain his registration. Mr. Edenborough has pointed out
7 again today that that evidence has not been rebutted.

8 At a previous revocation hearing before another Hearing
9 Officer in relation to a related mark in near identical
10 circumstances and on the basis of very similar (although not
11 quite identical) evidence the decision went in the applicant's
12 favour. Following this the applicant agreed for this decision
13 to be taken off the papers unless the registered proprietor
14 wanted to be heard.

15 On 6th May 1998 the proprietor indicated that he did
16 wish to be heard. The applicant responded in kind and
17 instructed counsel to appear before me today. Two days before
18 the date of this hearing the registered proprietor changed
19 their minds and indicated that they did not intend to appear
20 after all. They have not done so today. Mr. Edenborough's
21 second submission is that this has caused the applicant
22 unnecessary costs in connection with these proceedings. This,
23 together with the conduct of the applicant relating to the
24 allegedly fabricated evidence, is the basis for his request
25 for an award of costs off the Registrar's scale. I have
26 carefully considered whether this would be appropriate but

1 have come to the view that it would not.

2 However, the Registrar's normal scale does provide
3 hearing officers with a degree of discretion as to the costs
4 that may be awarded. I intend to take the registered
5 proprietor's conduct into account in determining the amount of
6 the award within the Registrar's usual scale. I have
7 therefore come to the view that the applicant is entitled to
8 an award of costs in the sum of £1,400. That concludes
9 matters.

10 -----