

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No 11059
BY STRINGFELLOW RESTAURANTS LIMITED
FOR REVOCATION OF TRADE MARK No 1492058
PURE PLATINUM
STANDING IN THE NAME OF
MICHAEL J PETER

DECISION

1) The trade mark **PURE PLATINUM** is registered under number 1492058 in Class 41 of the register in respect of:

“Nightclub entertainment services; all included in Class 41.”

2) The application for registration was made on 26 February 1992 and the mark was placed on the register on 15 October 1993. The registration stands in the name of Michael J Peter, 3365 N. Federal Highway, Fort Lauderdale, Florida, 33306, United States of America.

3) By an application dated 24 August 1999, Stringfellow Restaurants Limited applied for the revocation of the registration. The grounds stated were:

There has been no use of the Registration in the five years prior to the filing of the application for registration, or indeed since the date of revocation nor of the registration, and there are no proper reasons for non-use. It is therefore requested that the registration be revoked with effect from the date of the application for revocation in accordance with Sections 46(1)(a) and 46(1)(b) of the 1994 Trade Marks Act.

4) On 15 December 1999 the registered proprietor filed a counterstatement stating that the mark had been used

“By way of offer of nightclub entertainment services and advertisement thereof since 1997 by the proprietor or with his consent on the Internet.”

and if the use shown was not deemed to be genuine use in the UK, that there were proper reasons for non-use.

5) Included with the counterstatement were two declarations. First an affidavit, dated 1 December 1999, by Laird Boles, the President of Michael J Peter & Associates Inc. He states that his company is the successor in business to Michael J Peter. He states that the mark in suit has appeared on the internet since approximately 1997 promoting adult entertainment nightclubs bearing the name Pure Platinum. He also states that his company have “actively been attempting to set up and commence operation of a **PURE PLATINUM** nightclub within the UK. Such negotiations have been ongoing for quite sometime and continue today.”

6) There is also a declaration, dated 1 December 1999, by Anthony Gregory Burrows the proprietors’ trade mark agent. Mr Gregory includes a print-out from the website referred to by Mr Boles. An entry of “Pure Platinum” as the search criteria resulted in one hit. The website is clearly headed up as **PLANET PLATINUM**. Within the site are references to a number of clubs in the USA. The names of the clubs are “Pure Platinum”, “Solid Gold”, “La Bare”, “Three Dollhouse”

and “Fantasy Ranch”.

7) Both sides ask for an award of costs. Only the registered proprietor filed evidence and the matter came to be heard on 25 January 2001, when the applicant was represented by Mr Fiddes of Messrs Dibb Lupton Alsop. The registered proprietor was represented by Mr Mitcheson of Counsel instructed by Messrs Anthony Burrows.

Registered Proprietors’ Evidence.

8) The registered proprietor filed five further declarations and witness statements. The first, dated 11 July 2000, by David Jonathan Fierstone. Mr Fierstone states that he is the proprietor of a company which offers “international hospitality nightclub and restaurant management and consulting services and have been in that occupation since 1993”.

9) Mr Fierstone states that non UK residents wishing to set up a table dancing venue would normally already own and run such establishments in their own country. He then details how market research would be carried out and the other steps required to set up such an establishment, such as identifying the premises, raising the finance, obtaining the necessary licences and planning permissions and carrying out renovations. He states that the first time that permission was given by a local authority in the UK for a table dancing club was in approximately 1997.

10) The next declaration, dated 12 July 2000, is by Mr Burrows who has given a previous declaration in this case. Mr Burrows states he has held a number of positions, including being a Councillor, over many years which have involved him in discussions regarding nightclub and liquor licences. He states that such licences are difficult to obtain and encounter many objections which can hold up proceedings for years. He also provides details of planning permissions required, including listed building consent and conservation area consents. He then details how the planning process including appeals works. He goes on to explain the need for a Public Entertainment license and the appeal process in this instance. In all instances he points out each stage can take years to obtain the necessary permission.

11) Mr Burrows also provided a witness statement dated 19 January 2001. He follows on from his previous statement regarding the various problems facing an application for a nightclub. In his statement and in the many exhibits attached, Mr Burrows outlines the many stages that a prospective table dancing club owner might have to go through depending on the type of building purchased and the area it was located in. Many of the permissions and licences apply throughout the UK such as liquor licences and public entertainment licences. Mr Burrows emphasises the difficulties and delays which can occur at each stage.

12) The next witness statement, dated 22 January 2001, is by Michael J Peter. Mr Peter states that he began operating “adult nightclubs” under the “Three DollHouse” mark in 1974. Ten years later he opened the “first club our second chain called Solid Gold”. Then in 1988 he opened “the first of many Pure Platinum nightclubs in Fort Lauderdale, Fl. It soon became our largest and most upscale club trademark name”. Mr Peter claims that the Pure Platinum mark is recognised internationally as the premier name in adult entertainment and that the name carries immense goodwill globally “as we attract international tourists to our Pure Platinum clubs located in many cities around the world”.

13) Mr Peter then comments on his companies relationship with the Mr Stringfellow:

“In the autumn of 1990 Peter & Geoff Stringfellow (brothers) made two initial trips to my

International Pure Platinum headquarters at the same address given above. The purpose of these visits were to sell me the idea of licensing my trademark name to two of three of their ailing chain of discotheques "Stringfellows" in the USA. One of the two was located on 21st street in New York City and the other in Coconut Grove in Miami, Florida. After six months of negotiations a licensing and management contract was negotiated and signed between my company and Peter Stringfellow's company (see exhibit A which is a copy of the Pure Platinum Stringfellows New York City Contract, by which Peter Stringfellow's company became a beneficiary to our proprietary rights and trade secrets in the USA) to implement my Pure Platinum organization, name, staff, and format in his New York location (in chapter 11 bankruptcy and closed at that time). We opened that Pure Platinum club in New York for him on December 10, 1991. We provided over 100 of our staff to open this club and produced outstanding success, saving his company from bankruptcy. Ultimately Mr Stringfellow was still in trouble with his two remaining clubs in Miami and Beverly Hills, California. He wanted to provide the same trademark licensing, staffing and management services for Miami but lost his lease there and in California before we could implement the same. He informed us that he had certain financial difficulties and so we found a buyer for the New York location that inherited our management contract and licensing agreement. With the proceeds from the sale Peter Stringfellow was able to return to London, severing all ties with his three USA clubs and save his London discotheque. At that time he converted his London club to the format we use for our Pure Platinum clubs. At this time we began worldwide expansion of our Pure Platinum chain and decided to trademark our name in the UK for fear that he would try and steal it for his use in London."

14) Exhibit A referred to above consists of a contract between Stringfellows of New York Ltd and M J Peter Entertainment Inc. Whilst the individual signatories (Peter Stringfellow and Michael J Peter) are involved in the instant case, the actual companies for whom they are officers are different. Therefore although providing background to the relationship, the contract would not appear to have a direct bearing on this action.

15) Mr Peter states that in 1991 his company "began investigating and searching for possible locations for our premier flagship club in London". He states that between 1991 and 1995 seven trips were made to London either by himself or the President of the company at that time, Mr Renato Carrentin. He states that he worked with a London restaurateur, Mr Orsini, to locate sites and that "in or around 1992 - 1994 we went into a relationship with two London partners" who it is claimed wished to licence the Pure Platinum mark and finance the acquisition of the London facility. Mr Peter states that these partners spent two years in negotiations for three properties and also investigating the legal and economic possibilities of these sites. He states that ultimately the London partners were unwilling to fund the "ultimate location". He then states that much time and energy was spent on another client relationship which he states "turned out to be a grave mistake".

16) Mr Peter continues:

"Between 1995 and 1997 we were involved in major litigation stateside, and additionally we had opened in Greece and Mexico and were expanding too rapidly, and so we focussed on existing operations and streamlining our company. During this period Mr Alan Whitehead of the UK visited us and our operations in the USA and was truly impressed and subsequently began discussions about bringing our format to the UK. Mr Whitehead is a known entity today in the UK as a leader in the table dancing club format and I have the impression that he is considered to be the primary competitor of Mr Stringfellow. Mr

Alan Whitehead and I have had on going discussions regarding locations and services from Pure Platinum up to and including the present time. We were originally set to help launch the Berkeley Playhouse with him around 1997 - 98 (I am not sure of the exact time). I have met with Mr Whitehead physically both in the USA on three occasions and in the UK on at least one. We have been in constant telephone communications from 1997 to the present on joint efforts to set up a Pure Platinum club in the right UK location.”

“In 1998 I retained David Fierstone who was recommended by Ciro Orsini as the individual I should put in charge of locating and negotiating a Pure Platinum deal in London. Mr Fierstone was presented as an individual with great knowledge of the London market, with extensive experience in the nightclub business in London. It was represented by Orsini that Fierstone could expedite my efforts to locate a suitable location for our London flagship facility and find the appropriate client/partner in the UK. (Please see the extensive paperwork, and communications on numerous contracts and location negotiations attached at exhibit B). I flew Mr Fierstone to the USA to negotiate our relationship giving him authority to represent my interest in or around February 1998. Fierstone went right to work leading the front dealing with Whitehead who was developing a number of operations. We then proceeded to negotiate with numerous locations and potential partners. Some of our negotiations included the “Berkeley Playhouse”, “Faces”, “Ministry of Sound”, “the Hypadrome” and the “Fashion Café”. At this time the President of my company was Mr Laird Boles and he made two or three trips to London to review locations and negotiate partnerships or client deals in London between 1998 & 1999.”

“Most recently we went to contract at great expense, with Grand Atlantic Leisure PLC. (Please see exhibit C the drafted shareholders agreement). In 1999 there were months of negotiations and subsequently legal fees on our part with our attorneys in Miami to close the deal to open in London. Money was put into escrow here with my attorneys by the London principal Nick Smart who ultimately concluded that our standards were too high and pulled out before the actual closing date.”

“To my dismay one of the locations provided by Mr Fierstone was the present location of the London club named “Spearmint Rhino”. Mr Boles on my behalf flew to London late in 1999 and chose not to accept this location (I would have approved this location having now viewed it in 2000 while I was in London investigating on my own behalf). I consequently relieved Mr Boles of his duties owing to his bad judgement. When Mr Boles turned this location down I generously informed a friendly competitor in the USA of its existence who owns a chain of clubs called “The Spearmint Rhino”. He in turn accepted this location and put Mr Fierstone to work in 2000 opening it for the Spearmint Rhino group.”

“Today I am continuing to look for the right location and facility. Mr Fierstone also continues and is hopeful that we will find somewhere suitable so that he can head up the operations in London. As of the last two months the owner of the Spearmint Rhino , Mr John Grey, is discussing with me the options and requirements of licensing the Pure Platinum name and management services for his existing club in London or additional new locations in the UK he has contracted to open.”

17) In his statement Mr Peter refers to Exhibit B. This consists of three letters from M J Peter & Associates Inc. to Mr Fierstone. The letters are dated from September 1998 to 5 August 1999. The first letter introduces Mr Boles and talks of a deal with the Berkeley Playhouse. The second sets out the terms that would be required from any licensee. The last letter refers to preparing “an

amended trademark licensing and consulting agreement, while at the same time, working with your attorney regarding further revisions to the shareholders agreement". The exhibit also has a list of venues in London and Paris prepared by Mr Fierstone. This undated document lists six venues and provides comments on each location. There are handwritten notes to indicate that Mr Boles visited some sites and records conclusions. The notes by Mr Fierstone indicate that some of the venues were in need of little if any alteration and that the necessary licences for table top dancing were either already granted or could be easily obtained.

18) Exhibit C appears to be a draft shareholders' agreement to set up a company. Reference is made to entering into a licence in relation to the trade marks "Pure Platinum", "The Doll's House of America" and "Solid Gold". The front sheet has a date of 27 July 1999. It also refers to negotiating a services agreement with Mr Peter. Attached to this is a Heads of Agreement which states the intent to "establish American Style facilities initially in the UK and subsequently in mainland Europe similar to those operated by MJP in the United States".

19) Mr Burrows provides another witness statement, dated 24 January 2001. Mr Burrows comments on the witness statement of Mr Peter pointing out that the registered proprietor not only operates nightclubs in the USA but also offers joint ventures and franchises using the mark in suit. At exhibit AGB8 he provides a promotional folder containing materials which is provided to anyone seeking a joint venture or franchise. The folder includes a booklet outlining what the proprietors can offer an aspiring nightclub owner. There is also a photocopy of a magazine article of a speech by Mr Peter at "The Gentlemen's Club Owners Expo" in 1996. There are also three colour pages giving details of the various USA based clubs and career opportunities for entertainers.

That concludes my review of the evidence. I now turn to the decision.

DECISION

20) At the hearing there were some preliminary points raised. First Mr Fiddes contended that the registered proprietor could only file evidence of use within the three month period following receipt the TM26. He cited Rule 31(2) as the basis for this argument and invited me to exclude any evidence of use filed after 1 December 1999. I refused to accede to his request as it is quite clear that Rule 13 in its entirety allows for evidence to be filed after the initial three month period.

21) Mr Fiddes then requested that I rule as inadmissible the witness statements filed by the registered proprietor as Rule 55(4) states that the practice and procedure of the High Court, and in particular their use with regard to witness statements, applies to all proceedings under the Rules. He then referred to The Civil Procedure Rules 1998, Part 32 and in particular rule 32.5(1) which states that if a party has served a witness statement and wishes to rely on the evidence contained therein, it can only do so if the witness has been called and is prepared to give oral evidence.

22) Rule 32.5 of the Civil Procedure Rules 1998 is re-produced below.

Use at trial of witness statements which have been served

32.5-(1) If-

- (a) a party has served a witness statement; and
- (b) he wishes to rely at trial on the evidence of the witness who made the statement,

he must call the witness to give oral evidence unless the court orders otherwise or he puts

in the statement as hearsay evidence.

(Part 22 contains provisions about hearsay evidence.)

(2) Where a witness is called to give oral evidence under paragraph (1), his witness statement shall stand as his evidence in chief unless the court orders otherwise.

(3) A witness giving oral evidence at trial may with the permission of the court-

(a) amplify his witness statement; and

(b) give evidence in relation to new matters which have arisen since the witness statement was served on the other parties.

(4) The court will give permission under paragraph (3) only if it considers that there is good reason not to confine the evidence of the witness to the contents of his witness statement.

(5) If a party who has served a witness statement does not-

(a) call the witness to give evidence at trial; or

(b) put in the witness statement as hearsay evidence, any other party may put in the witness statement as hearsay evidence.

23) Rule 55 (3) - (5) of the Trade mark Rules 2000 is as follows:-

(3) Where these Rules provide for the use of an affidavit or statutory declarations, a witness statement verified by a statement of truth may be used as an alternative; the Registrar may give a direction as she thinks fit in any particular case that evidence must be given by affidavit or statutory declaration instead of or in addition to a witness statement verified by a statement of truth.

(4) The practice and procedure of the High Court with regard to witness statements and statements of truth, their form and contents and the procedure governing their use are to apply as appropriate to all proceedings under these Rules.

(5) Where in proceedings before the registrar, a party adduces evidence of a statement made by a person otherwise than while giving oral evidence in the proceedings and does not call that person as a witness, the registrar may, if she thinks fit, permit any other party to the proceedings to call that person as a witness and cross-examine him on the statement as if he had been called by the first-mentioned party and as if the statement were his evidence in chief.

24) The combined effect of these rules appears to me to be that:-

a) A witness statement may be used as an alternative to an affidavit or statutory declaration in proceedings before the Registrar;

b) Where a witness statement and statement of truth are used instead of sworn evidence, the Registrar, like the court, has the power to order that a witness should not be called, and to accept the witness' statement in lieu of sworn evidence;

c) The Registrar may, as an alternative, direct that evidence be given by affidavit or statutory declaration instead of, or in addition to, a witness statement;

d) If these powers are not exercised, the witness statement may still be admitted as hearsay evidence and the statement given such weight as it deserves.

25) Unless a party indicates that it wishes to challenge the truth or accuracy of a statement contained in a witness statement by calling the witness itself at the hearing, the Registrar will not usually order the party filing the witness statement to call the witness at the hearing.

26) The applicant for revocation in this case had not previously challenged the truth or accuracy of the witness statements in these proceedings or sought to call the makers of the statements as witnesses for cross examination. I therefore rejected Mr Fiddes' attempt to have the witness statements ruled as inadmissible at the hearing itself.

27) With all of the evidence in mind I now turn to consider the grounds of revocation. These are found in Section 46(1) which, in so far as it is relevant, reads as follows:

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

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

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

28) Section 100 of the Act is relevant as it clarifies where the overall burden of proof rests in relation to the question of use. It reads:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

29) Where it is claimed that there has been use of the trade mark, the provisions of Section 100 of the Act makes it clear that the onus of showing use rests with the registered proprietor, or failing this the onus, in my view, stays with the registered proprietor to establish that there are *“proper reasons for non-use”* if the mark is to remain registered.

30) The relevant period has not been explicitly specified in this case and can be either the five years following the date of registration (15/10/93 - 14/10/98) or the five years prior to the date of the application for revocation 24/8/94 - 23/8/99.

31) The Act does not set out what are considered to be proper reasons for non-use. However, in the INVERMONT trade mark case (1997 RPC 130), the Registrar's Hearing Officer considered the meaning of the words *“proper reasons for non-use”*, and drawing a distinction between the wording of Section 26(3) of the Trade Marks Act 1938 and the provisions of Section 46(1) of the 1994 Trade Marks Act said:

“Moreover, the word “proper” appears, rather than the slightly more restrictive word “special”. The reasons do not have to be special, it seems merely “proper”. As can be seen in any English dictionary, “proper” is a word with many meanings. But bearing in mind the need to judge these things in a business sense, and also bearing in mind the emphasis which is, and has always been placed on the requirements to use a trade mark or lose it, I think the word proper in the context of Section 46 means:- ‘apt, acceptable, reasonable, justifiable in all the circumstances’.”

“.....He describes difficulties which by his own admission are normal in the industry

concerned and in the relevant market place. I do not think that the term “proper” was intended to cover normal situations or routine difficulties. I think it much more likely that it is intended to cover abnormal situations in the industry or market, or even in perhaps some temporary but serious disruption affecting the registered proprietor’s business. Normal delays occasioned by some unavoidable regulatory requirement, such as the approval of a medicine might be acceptable but not, I think, the normal delays found in the marketing function. These are matters within the businessman’s own control and I think he should plan accordingly....”.

32) However, in a later case, *Magic Ball Trade mark* [RPC 2000 439 at 442], Mr Justice Park commented:

“I have no disagreement with anything which the hearing officer said in the INVERMONT case. I would only add the comment that, while the adjectives which he puts forward - “apt, acceptable, reasonable, justifiable in all the circumstances” - seem to me to be well chosen, it must not be forgotten that the statutory word which falls to be applied is “proper”, not any of the near-synonyms which the hearing officer suggested.”

33) Later in the case he also said:

“If I have any disagreement with the hearing officer it would only be in connection with his suggestion that the reasons for non-use of the marks may have been within Zeta’s own control. I cannot see why that should be so. The lengthy difficulties which Zeta has experienced in getting a satisfactory manufacturing machine in place have surely been outside Zeta’s control. If they had been within it’s control, then on the unchallenged evidence it would have started using the marks years ago. Possibly the hearing officer had in mind that Zeta had it within its control to put on to the market some lollipops which it had produced on unsatisfactory machinery, the production and marketing of which would have caused large commercial losses. If that was his point, then I entirely agree with him that Zeta’s reasons for not using the marks in that way were proper reasons.”

34) At the hearing Mr Mitcheson also referred me to the *ELLE* case [1997] FSR 529. In particular the finding that:

“(3) The offer for sale of cosmetics branded ELLE in the United Kingdom through foreign editions of the plaintiff’s magazine would not fail to qualify for the purposes of section 46 by reason of the fact that there was no evidence of actual sales during the relevant period. Although it was fairly borderline, it could constitute genuine use within the United Kingdom of the mark in relation to a trade in goods within the relevant class.”

35) I must first consider whether the mark has been used in the UK since its registration. The proprietor claims that the use on an internet page constitutes use in the UK. The website referred to “Planet Platinum” and listed nightclubs based in the USA. There is no office in the UK taking bookings for these nightclubs. Such use cannot qualify as use in the UK. Were it to be regarded otherwise the corollary would be that the simple creation of a website would provide use in every country in the world on the basis that it could be accessed globally.

36) The proprietor also claimed that the various efforts said to have been made to find premises also resulted in the use of the mark on business cards, letter heads, the franchise brochure and by way of various agreements referred to by Mr Peter. The actual negotiations themselves, Mr Mitcheson contended, should be regarded as use of the mark as it is claimed throughout Mr

Peter's statement that it was his intention to open a nightclub using the PURE PLATINUM trade mark, either owned wholly or jointly or by way of franchising / licensing the mark.

37) Mr Peter does indeed state that it was his intention of establishing a club in London under the Pure Platinum mark. However, in all the dealings shown it is clear that the negotiations took place between M J Peter & Associates Inc. and various other parties. Equally clearly in the documentation provided to corroborate his statement all the various trade marks of the organisation, "Solid Gold", "The Dolls House of America/ Three Doll House" & "Pure Platinum", were mentioned. There is no evidence of what is obviously an American brochure having been distributed in the UK. All there is the statement of Mr Burrows that the promotional brochure was "provided to anyone seeking a joint venture or franchise".

38) Section 46(1) requires "genuine use". In *Euromarket Designs Inc. v Peters and Another*, 25 July 2000 [2000] ALL ER (D) 1050, Jacob J., stated:

"50. Assume, however there were these three things, namely the packaging on a few items posted at the US customer's request to the UK, gift registry sales and a tiny amount of spillover advertisements in what the reader in the UK would know are US journals. Do they individually or collectively amount to "genuine use" of the UK registered mark? Miss Vitoria contends they do. She says the reference to "genuine" is in merely in contradistinction to "sham". Small though the use may have been, there was nothing fake about it. The mark appeared in the UK in connection with genuine transactions and that is enough.

51. I disagree. It seems to me that "genuine use" must involve that which a trader or consumer would regard as a real or genuine trade in this country. This involves quantity as well as the nature of the use. In part it is a question of degree and there may be cases on the borderline. If that were not so, if Miss Vitoria were right, a single advertisement intended for local consumption in just one US city in a journal which happened to have a tiny UK distribution would be enough to save a trade mark monopoly in this country. Yet the advertisement would not be "sham". This to my mind shows that Miss Vitoria's gloss on the meaning of "genuine" is not enough. And the only stopping place after that is real trade in this country. I think all the examples relied upon are examples of trade just in the US."

39) The proprietor's use is in the nature of preparations for use. No services have been offered in the UK under the mark within the relevant period. On the evidence provided I do not regard the mark "Pure Platinum" to have been used in the UK. I therefore turn to consider the reasons for non-use provided and must decide whether these can be regarded as "proper".

40) The proprietor's evidence contained much regarding the various problems that might be encountered by prospective business person in seeking to build new premises or convert an existing building. Whilst I accept that there can be a considerable amount of "red tape" involved in such a process this does vary dependent on the location and the type of building involved. I also note that it is implied that the process is such that actions are consecutive rather than concurrent. Clearly this is not the case, as a number of the permissions can be sought simultaneously. Further, many of these issues affect all businesses and are not peculiar to the world of adult nightclubs. As such they are normal or routine difficulties. The problems associated with obtaining licences for nightclubs and table dancing similarly could be described as routine or normal for the table dancing industry. They do not constitute proper grounds for non-use.

41) Much was made of the difficulties in obtaining a license for table dancing and evidence was put forward that the first such license in the UK was granted in 1997. I note from the proprietor's evidence that, subsequent to the opening of his club in New York in December 1991, Mr Stringfellow sold the club and returned to the UK. It is stated that he owned a discotheque in London which he then converted to the format used by the proprietor. Mr Peter states that his search for premises in London began in 1991. Therefore, in a shorter timescale Mr Stringfellow, albeit with the advantage of a pre-existing club, managed to obtain a licence by 1997. It is also clear from exhibit B of Mr Peter's statement that the authorities were willing to grant licences and that some establishments had licences, indicating a greater willingness by the authorities to grant such licences.

42) Finance was obviously a key reason for the proprietor not opening a club in the UK. This is clear from the annotations to exhibit B to Mr Peter's statement, some of the comments by Mr Peter regarding his negotiations with potential partners and his admission that his company was expanding too rapidly. The difficulty in business of generating funds for investment is a routine problem faced by all entrepreneurs.

43) The difficulty in obtaining suitable premises was also cited. However, from exhibit B to Mr Peter's statement certain of the properties would appear to have been acceptable venues, albeit more expensive than the proprietor would have preferred. One club, The Spearmint Rhino, was initially ruled out by an officer of the proprietor's company but would from the comments of Mr Peter have been suitable. Indeed it is now said to be the subject of discussions regarding a franchise. Incompetence by the staff of the proprietor is not a proper reason for non-use. I therefore conclude that there are no proper reasons for non-use.

44) Mr Mitcheson also raised the issue of discretion. He contended that despite the comments of Neuberger J. in the *Typhoon* case "it is not yet clear whether the Registrar does or does not have a discretion". In the *Premier Brands v Typhoon* case [2000] (as yet unreported) Neuberger J. stated:

"I do not find it surprising that two members of the Trade Marks Registry come to different conclusions on this difficult point. With diffidence, I have reached the conclusion that the view expressed in *Zippo* [1999] RPC 173, namely that there is no discretion, is to be preferred. For reasons I have given, I do not find any of the reasons supporting either view particularly strong. However, it does seem to me somewhat odd if the legislature has specifically provided for no revocation in the event of there being good reason for the non-use, but nonetheless has left the Court with a residual discretion, particularly without giving any indication as to what factors should be taken into account when exercising that discretion. Further, consideration of the combined effect of Section 46(1)(c) and (d) suggest to me that it is more likely that the legislature intended that those two paragraphs were to represent mandatory, rather than discretionary, grounds for revocation. Section 46(5) and Article 13 tend to point in favour of the conclusion I have reached. The words "may" in Section 46(1) and "liable" in Article 12 are perfectly consistent with the concept of revocation being mandatory but only occurring in the event of an application being made. I also bear in mind that it is not only a privilege for a person to be the proprietor of a registered trade mark, but it represents a monopoly: the Court should not be too ready to perpetuate a monopoly in favour of a person who has not done anything to promote or enjoy it for a period of five years. Decisions of the ECJ to which I have referred show that a major purpose of the trade mark legislation is to protect those who have expended time, effort, ingenuity and money in disseminating a trade mark and building up goodwill in relation to it. It seems to me that the obverse of this approach is that a person who does not

use a trade mark for five years or more should lose it.”

45) I regard myself as being bound by the view that there is no discretion to exercise. In the event, therefore I conclude that the application should be allowed. Registration No 1492058 will be revoked in its entirety.

46) The applicants sought revocation under Section 46(1)(a) & (b). In either event, the date of revocation is normally the date of the application for revocation, in this case 24 August 1999. However, Section 46(6)(b) provides discretion to make the date of revocation the earlier date of five years from the date of registration, 15 October 1998. As set out above, I have found that the proprietors have failed to show that there has been any use of the trade mark PURE PLATINUM in relation to the services for which it is registered. I therefore order that the registration be revoked in its entirety with effect from 15 October 1998.

47) There remains the matter of costs. Mr Mitcheson requested a separate order of costs relating to the earlier interlocutory hearing. Both sides agreed that there was no reason to go beyond the normal Registry scale. I do not agree with the request for a separate cost order for the earlier hearing as I believe that it can be easily encapsulated within this decision.

48) At the interlocutory hearing the Registered Proprietor was successful and was entitled to a contribution to costs of £200. At the main hearing the application for revocation having succeeded the applicant was entitled to a contribution towards costs of £1435. Therefore, I order the registered proprietor to pay the applicants the sum of £1235 as a contribution towards their costs. This sum 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 15 day of March 2001

George W Salthouse
For the Registrar
The Comptroller General