

1 IN THE UK INTELLECTUAL PROPERTY OFFICE

2 Royal Courts of Justice,
3 The Rolls Building,
4 7 Rolls Buildings,
5 Fetter Lane,
6 London EC4A 1NL.
7 Friday, 10th January 2014.

8 Before:

9 MR. GEOFFREY HOBBS QC
10 (Sitting as the Appointed Person)

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12 IN THE MATTER OF the Trade Marks Act 1994

13 -and-

14 IN THE MATTER OF United Kingdom Trade Marks Nos. 107035,
15 2122788 and 2134922 LAMBRETTA in Classes 9, 14, 18 and 25 in
16 the name of Scooters India Limited

17 -and-

18 IN THE MATTER OF applications for revocation Nos. 83084, 83085
19 and 83086 by Brandconcern VB

20 -and-

21 IN THE MATTER OF an appeal to the Appointed Person against the
22 Decision of Hearing Officer Allan James, dated 6th June 2012.

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24 (Transcript of the Shorthand Notes of:
25 Marten Walsh Cherer Limited, 1st Floor, Quality House,
6-9 Quality Court, Chancery Lane, London WC2A 1HP.
Telephone: 020 7067 2900.
email: info@martenwalshcherer.com)

26 MR. JONATHAN HILL (instructed by Swindells & Pearson Ltd) appeared
27 for the Appellant.

28 MR. BENET BRANDRETH (instructed by Boulton Wade Tennant) appeared
29 for the Respondent.

30 JUDGMENT
31 (As approved by the Appointed Person)

1 THE APPOINTED PERSON: Brandconcern BV appeals from a Decision
2 issued by Mr Allan James on behalf of the Registrar of Trade
3 Marks under reference BL O/229/12 on 6th June 2012. The
4 Decision was issued in the context of consolidated
5 applications for revocation of various registrations of the
6 trade mark LAMBRETTA, standing in the name of Scooters India
7 Limited.

8 The question for determination was whether all or any of
9 the registrations in issue were, to any extent, liable to be
10 revoked under section 46 of the Trade Marks Act 1994 on the
11 basis that the registered marks had not been put to genuine
12 use in the United Kingdom by the proprietor or with its
13 consent in relation to the goods for which they were
14 registered during the period 1st November 2002 to 31st October
15 2007.

16 With the agreement of the parties the applications for
17 revocation proceeded to determination on the basis of the
18 papers on file without recourse to a hearing. Both sides filed
19 written observations in support of their position, with those
20 filed on behalf of Brandconcern being detailed in their
21 comments and criticisms with respect to the evidence which had
22 been filed on behalf of the trade mark proprietor in defence
23 of its registrations.

24 The evidence filed on behalf of the proprietor was
25 accepted without cross-examination but, none the less,

1 challenged for lack of probative value by the application for
2 revocation.

3 The revocation applications were largely successful in
4 accordance with the Hearing Officer's findings of fact as
5 summarised in paragraph 49 of his Decision:

6 "I have found that:

- 7 i) No use of the mark has been shown of the mark in
8 relation to motor vehicles in class 12.
- 9 ii) No use of the mark has been shown by Club in
10 relation to parts for vehicles, and the use that
11 has been shown was not with Scooters' consent.
- 12 iii) Use of the LAMBRETTA mark with Scooters' consent
13 has been shown in the relevant period and in the
14 UK in relation to 't-shirts, hoodies, jeans,
15 skirts, dresses, coats, jackets, sweatshirts and
16 macs'.
- 17 iv) Use of the LAMBRETTA mark (probably with Scooters'
18 consent) has also been shown within the relevant
19 period and in the UK in relation to footwear.
- 20 v) No use of the mark has been shown within the
21 relevant period in the UK in relation to any goods
22 in class 18, nor in relation to underwear in class
23 25.
- 24 vi) The use of the LAMBRETTA mark shown by Capella
25 Industries AB in August 2006 was use in the UK
within the relevant period in relation to watches,
with FWL's (and therefore Scooters' consent).
- vii) No use of the mark within the relevant period and
in the UK has been shown in relation to jewellery.
- viii) The use shown of LAMBRETTA in relation to
sunglasses for export from the UK to Holland has
not been shown to be use with Scooters' consent,
and there is no evidence that the LAMBRETTA mark
was affixed to these goods or their packaging at
the time of the exports."

Having directed himself correctly as to the applicable

1 law, the Hearing Officer determined (i) that registrations
2 831769 and 874581 be revoked in their entirety (paragraph 58);
3 (ii) that registration 2107935 should be revoked for all goods
4 in respect of which it was registered other than: "Clothing,
5 all for leisurewear, but not including underwear; footwear"
6 (paragraph 61); (iii) that registration 2122788 should be
7 revoked for all goods in respect of which it was registered,
8 other than "watches and parts and fittings for watches"
9 (paragraph 65), and (iv) that registration 2134922 should be
10 revoked for all goods in respect of which it was registered,
11 other than "Watches and parts and fittings for watches" and
12 "Clothing, but not including underwear; footwear" (paragraph
13 66).

14 In paragraphs 69 to 96 of his Decision the Hearing
15 Officer described the very unsatisfactory way in which the
16 applications for revocation had been conducted in the
17 Registry. He did so as a precursor to his decision on costs,
18 which he deferred in order to enable the parties to file
19 written submissions in support of their contentions in that
20 regard. For the reasons given in his decision on costs,
21 issued under reference BLO/274/12 on 18th July 2012, the
22 Hearing Officer made no order for costs in respect of the
23 Registry proceedings.

24 Brandconcern appealed to an Appointed Person under
25 section 76 of the Trade Marks Act 1994 contending in substance

1 that the Hearing Officer had erred in his assessment of the
2 evidence and wrongly permitted the registered proprietor to
3 retain its registrations for the limited specifications of
4 goods that I have referred to.

5 A detailed skeleton of argument has been filed for the
6 purposes of this hearing setting out the basis upon which the
7 appellant contends that the registrations in issue should have
8 been revoked in their entirety. A copy of pages 6 to 15
9 containing paragraphs 14 to 43 of the skeleton of argument is
10 attached as Annex A to this Decision.

11 It can be seen that the appellant seeks, on appeal, to
12 engage in a re-examination and re-assessment of the evidence
13 that was before the Hearing Officer. In doing so, it calls
14 for the re-examination and re-assessment to take place with a
15 degree of attention to detail which looks to me to be as
16 strict, if not stricter, than that which was called for by the
17 written submissions it filed in lieu of attending the hearing
18 at first instance.

19 Four observations appear to me to be appropriate at this
20 juncture. First, the process envisaged by the appellant would
21 go well beyond anything by way of review that this tribunal
22 could properly undertake in accordance with the principles
23 laid down by the Court of Appeal in the REEF Trade Mark case,
24 and in the numerous cases in which those principles have
25 subsequently been affirmed and reaffirmed.

1 Secondly, it is a process which would, if it was
2 undertaken, result in this tribunal sitting to determine the
3 application for revocation more or less as if it was doing so
4 in the first instance. However, this tribunal is an appeal
5 tribunal and, moreover, one from whose decisions there is no
6 further right of appeal. If it were to proceed in relation to
7 appeals which come before it as if it was sitting as a
8 tribunal of first instance, the effect would be to deprive the
9 parties to Registry proceedings of one of the two tiers of
10 decision-taking that Parliament intended them to have under
11 the 1994 Act.

12 Thirdly, the process envisaged by the appellant largely
13 amounts to looking at separate elements of the evidence rather
14 than the picture presented by the evidence as a whole.
15 However, it is clear, as stated by the General Court in
16 paragraph 53 of its judgment in Case T/415/09 Vallis, and
17 recently repeated in its judgment in Case T/416/11 Biotronic
18 SE, that in cases relating its to be established, even though
19 each of those items of evidence, taken individually, would be
20 insufficient to constitute proof of the accuracy of those
21 facts (see, to that effect, the judgment of the Court of
22 Justice of 17th April 2008 in case C-108/07P Ferrero
23 Deutschland v. OHIM, not published in the ECR, paragraph 36)".

24 Fourthly, it appears from the reference to the
25 Centrotherm case, in paragraph 22 of the appellant's skeleton

1 argument, and also from the discussion of the legal approach
2 to genuine use set out in the section of the skeleton which
3 precedes the text at Annex A to this Decision, that the
4 appellant is directing its attention to the evidence in close
5 detail in support of a contention that minimal use should not
6 in this case, or perhaps in general, qualify for recognition
7 as genuine use within the meaning of the latter expression as
8 used in section 46 and in the parallel provisions of the
9 Community legislation relating to revocation of trade mark
10 registrations for non-use.

11 The contention advanced on behalf of the appellant to
12 that effect is based upon what I consider to be a misreading
13 of the judgment of the CJEU in Case C-609/11P Centrotherm
14 Systemtechnik GmbH (26 September 2013). The appellant in that
15 case focused upon the statement in paragraph 26 of the
16 judgment of the General Court, delivered on 15th September
17 2011 under reference Case T-427/09, that: "... the concept of
18 genuine use therefore excludes all minimal and insufficient
19 use as the basis for a finding that a mark is being put to
20 real and effective use on a given market".

21 It was contended that the General Court had erred in law
22 by proceeding upon the basis that the concept of genuine use
23 excludes all minimal and insufficient use. The CJEU rejected
24 that contention in paragraphs 67 to 78 of its judgment
25 delivered on 26th September 2013. It did so in terms which

1 establish that the General Court should not, by its use of the
2 phraseology in question, be taken to have departed from the
3 consistent case law of the Court of Justice on which the
4 judgment of the General Court was actually based.

5 I see no reason to think, and I am certainly not in a
6 position to say, that the law laid down by the CJEU in case
7 C-259/02 La Mer Technology Inc. v Laboratories Goemar SA
8 [2004] ECR I-1159, as subsequently applied by the Court of
9 Appeal in England in La Mer Technology Inc. v Laboratories
10 Goemar SA [2005] EWCA Civ 978 should no longer be followed in
11 the light of the judgments of the General Court and the CJEU
12 in Centrotherm.

13 The law, as I understand it, is that the test for
14 genuine use is qualitative not quantitative, with quantitative
15 aspects being relevant but not in themselves conclusive as to
16 whether the use under consideration does or does not amount to
17 genuine use.

18 I agree with counsel for Brandconcern in thinking that
19 the evidence of use relied on by Scooters' India Limited in
20 the present case was meagre. However, on reviewing the
21 Hearing Officer's decision against the backdrop of the
22 evidence on file and doing so in accordance with the
23 principles I have referred to, I am satisfied that it was open
24 to him to reach the decision that he did in relation to the
25 applications for revocation that were before him. He directed

1 himself correctly as to the law. His examination and
2 assessment of the evidence as a whole, and I stress the words
3 "as a whole", appear to me to have been quite carefully and
4 realistically undertaken. I do not accept that his reasoning
5 or conclusions are liable to be set aside on appeal. The
6 appeal will, therefore, be dismissed.

7 (For discussion on costs, see main transcript)

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ANNEX A

APPELLANT'S SKELETON ARGUMENT

Paragraphs 14-43

The Appellant's substantive arguments

Preliminary – general points

14. First, the points made as to evidential approach referred to in ¶¶11-13 above apply with considerable force in this case. The Decision does not suggest that the Hearing Officer appreciated this to the extent that he should have done, with the consequence that this approach to the evidence was legally flawed.
 - a. If the position was truly as Mr Wilch asserts in the bodies of his witness statements, one would expect him to have presented much more by way of detail and supporting exhibits to back up his assertions and/or other relevant witnesses to have put forward statements (for example Mr Derry Kunman or someone involved in the day to day management of Fine White Line Ltd ('FWLL')). No explanation has been proffered as to why such further details, exhibits and statements have not been provided. In the absence of any such explanation the only safe conclusion is that the underlying facts do not support Mr Wilch's assertions.
 - b. Mr Wilch has been the internal financial advisor/finance director of FWLL since 1 May 2006 and before that from March 1999 the external accountant of Derry Kunman Limited ('DKL') and FWLL.
 - i. These are not positions one would expect necessarily to lead to knowledge of some aspects of FWLL and DKL's activities, such as how marks were in fact used on particular goods by alleged licensees. Mr Wilch provides no explanation as to how he acquired the information necessary to make the assertions made in statements and it seems very likely that his assertions are really nothing more than statements of hearsay information made without identifying sources. This greatly undermines the weight of the assertions, to the point that they are really valueless.

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- ii. Mr Wilch's positions are however positions which one would expect to give their holder access to relevant financial records, such as the royalty statements and payment records relating to the use of the trade marks under the licences put in place. It is remarkable that Mr Wilch does not provide any evidence that any such royalty payments were made.
15. Second, when considering the three categories of goods in issue, watches, clothing and footwear, the Hearing Officer at no point conducted the multifactorial test required of him by the case law. He did not refer to the state of the market or consumers, the price of the goods etc. Nor did he heed the fact that SIL had not even provided him with all the indications necessary to enable the required assessment to be carried out – therefore failing *in limine* to prove genuine use.
16. Third, though not directly related to matters not appealed, regard should be had for the Hearing Officer's comments regarding the letter exhibited at SDW3 at ¶20 of the Decision. The Hearing Officer found that the proprietor had made a "blatant and clumsy" attempt to plug holes in their case by using this letter as retrospective evidence of permission. The Hearing Officer erred in his approach in failing to take into account the likelihood that this attitude to the evidence needed to support its case was unlikely to have been an isolated case. The likelihood is that the attitude permeated the whole of the proprietor's evidence.

Class 14: Watches

17. In partially upholding the Class 14 registrations, the Hearing Officer relied (in ¶45 of his Decision) solely on what he characterised as two invoices relating to the sale of watches bearing the Mark by Capella Industries AB ('Capella') dated "August 2006". He rightly rejected all the evidence of use supplied, principally dismissing it because there was no evidence that Capella had acted with SIL's (indirect) consent prior to the conclusion of the Sub-Licence Agreement dated 3 April 2006 (SDW12 p.226 onwards).
18. As for the "invoices" relied upon, in fact they are just two pages of a single invoice, dated 6 July 2006 (with a payment date in August) (SDW15, pp.312-313). The invoice shows sales of products named Stellina (10 units at \$30 each¹), Super 200 (10 units at \$36 or \$39 each) and Milio (5 units at \$38 each) to a company called Chrono UK Limited with an invoice address given in Chichester. The invoice does not provide a delivery address and appears not to include any VAT charge. No details or descriptions of the products listed are provided in the invoice.

¹ NB the Hearing Officer wrongly thought that one could not tell what currency was being used: see ¶45 of the Decision.

19. In ¶45 of the Decision the Hearing Officer said it was possible to combine the contents of this invoice with what appear to be print outs of pages from a website www.lambrettawatches.com dated 15 February 2008 (SDW14), after the relevant period, and an assertion by Mr Wilch in ¶6 *Wilch C* (p.6) that the range of watches shown in SDW14 all bear the LAMBRETTA trade mark, to conclude that watches were sold. The Hearing Officer was clearly wrong to reach this conclusion, which required considerable reliance on supposition and assumption and a failure to heed the adverse inferences that had to be drawn from the unexplained paucity of the evidence.
- a. Neither the whole website, nor even its homepage, are shown, making it impossible to conclude anything about what the website relates to, or to what part of the world it was directed. It appears from the invoice that the domain name was used in 2006 by Capella for its website, but it is not permissible to combine the 2008 pages with the 2006 invoice to reach any conclusion about the products listed. Names may well have changed, or been applied to products other than watches (some of the descriptions on the invoice refer to “bracelets” e.g. “Super 200 bracelet brown” – which might be a reference to a bracelet or a watch strap). There was no evidence available to plug the gap between the two documents.
 - b. In any case, the 2008 webpages do not show any products bearing the names “Stellina” or “Super 200” (it appears from a list of links on some of the pages (e.g. p.298) that there might have been a page relating to the latter, but this page has not been included in the exhibit).
 - c. The 2008 webpages (p.290) do include a watch called the Milio Large St George’s Cross. However one cannot tell from the poor image of the webpage provided whether this watch in fact bears the LAMBRETTA mark. And more fundamentally, one has no way of knowing that what is shown in 2008 reflects what is recorded on the 2006 invoice.
 - d. The 2006 invoice, without a delivery address and with no evidence of VAT being paid (VAT numbers were given, but no sum in relation to VAT provided), did not show that the products ever made it past customs into the UK. This is another gap that was not plugged by any other evidence, such as any evidence concerning Chrono UK Ltd and the nature of its business at the relevant time.
 - e. The Hearing Officer failed to take account of the paucity of evidence supplied by Mr Wilch, and his lack of explanation for such paucity. One would have expected him to have been easily capable of providing much more evidence, including the contents of archived webpages (some of which were provided in relation to other goods) and, perhaps most importantly given Mr Wilch’s role, royalty statements.

20. In ¶62 the Hearing Officer purported to apply the law to his factual findings on watches. As discussed above, he was wrong to conclude that there was any use shown at all. If that is not accepted, then he in any case erred, both by overestimating the use and by failing to undertake the multifactorial test required by the case law on genuine use. As for overestimating the use, it is clear that at best there was use in relation to the 5 Milio products (total value \$190). As for failing to undertake the multifactorial test, the Hearing Officer does not refer to any of the factors referred to in ¶51(3) of *BDO* other than scale of use:

All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

21. In particular, he should have considered whether the very limited use could be counted as genuine in the context of the mass market for relatively low priced watches.
22. Had the Hearing Officer applied the right test to only goods which could conceivably count as use (i.e. the 5 Milio products), the only conclusion he could have reached was that the use was not genuine, given all the circumstances. Such small trade cannot begin to count as genuine use: it is far from appropriate in the relevant market for preserving and creating market share. On the contrary, it is “minimal and insufficient”, within the meaning of those terms adopted by the GC in *Centrotherm*. Such trivial dealings in low value, mass produced products are insufficient to prove genuine use of the mark.

Class 25: Clothing

23. In finding genuine use of the Mark for T-shirts, hoodies, jeans, skirts, dresses, coats, jackets, sweatshirts and macs in Class 25, the Hearing Officer relied solely upon pp.119, 123-144 of exhibit SDW9, which were asserted by Mr Wilch to be “examples of use of the LAMBRETTA trade mark in respect of goods in classes 18 and 25 by or with the consent of my company, as exclusive licensee” (¶5 *Wilch B*). These pages in the main consisted of printouts from a website lambrettaclothing.co.uk made 15 February 2008, one print-out of a single page of that website archived on the Web Archive on 19 April 2007 (p.123), and a half of a page entitled “Lambretta Clothing” printed from a website at huckleberrymenswear.co.uk on 15 February 2008 (p.119). The Hearing Officer rightly dismissed all the other evidence put forward in relation to clothing.

24. The specific types of clothing in respect of which the Hearing Officer found use were all identified by him by using the lambrettaclothing.co.uk print outs from 15 February 2008 (pp.129-144)² (see ¶33 of the Decision).
25. Taking this evidence, the Hearing Officer concluded as follows in ¶59 of the Decision:
59. Use of the mark has been established in relation to t-shirts, hoodies, jeans, skirts, dresses, coats, jackets, sweatshirts and macs'. The established use is in relation to advertising campaigns. It is also established that retail outlets existed for the goods in the UK during part of the relevant period. Taking the evidence as a whole, I consider that it establishes that the use was genuine. I consider that the relevant average consumer would consider this use of the mark to be in relation to 'clothing'. However, as no use has been shown in relation to underwear, I find that a fair description would be 'Clothing, but not including underwear'.
26. It is clear from this that he went drastically wrong. Not only is there no sign of his carrying out the multifactorial test required, but the assertions in the second and third sentences were completely unfounded. No "advertising campaigns" at all were included in the evidence. All that was shown was a single website, without any detail provided as to how many visitors it had or to whom it was directed or as to the sales achieved of any of the products shown on it, or even whether those products bore the Mark. Nor was it shown that there were any retail outlets for clothing bearing the Mark with SIL's consent during the relevant period.
27. Further, given the 17 March 2006 sub-licence agreement between Lambretta Clothing Limited ('LCL') and FWLL relating to clothing (SDW8), which granted a sole sub-licence to LCL and included requirements that LCL pay royalties on sales of products bearing the Mark, it is striking that Mr Wilch has produced no evidence whatsoever of royalty payments. This glaring absence tells strongly against finding that there were any serious efforts to create or maintain a market under the Mark during the relevant period.

The lambrettaclothing.co.uk website

28. The Hearing Officer relied on what he characterised as pages from "a web archive search showing LCL's website in 2007" (¶32 Decision). This characterisation was clearly wrong. Only one page (p.123) came from the archive, the others were print-outs of the website as it stood in February 2008, although they appear from their content to relate to the Autumn/Winter range 2007. The Hearing Officer thought it was safe to infer that these pages were all available inside the relevant period. Such an inference is unsustainable, given the evidence it was within SIL's power to give on the subject. Further, the Hearing Officer appears to have assumed that the website was in LCL's website. There was no evidential basis for any such assumption. Indeed, it appears from the VAT number of the invoice dated February 2008 at p.146 taken together with

² One use, in relation to jeans, was also supported by the Web Archive print out (p.123).

the invoices at p.162 and 164-165 (which bear the same VAT no. and date from 2004, 2006 and 2007 respectively) that the domain name lambrettaclothing.co.uk (given on the former invoice) was that of “Derry Kunman t/a Lambretta Licensing”. SIL therefore failed to prove that the use on the website was use carried out with its consent, as one cannot trace consent through to the website via the licence and sub-licence agreements put in evidence.

29. Moreover, no evidence was provided as to the scale of use of the website – the numbers of visitors it received, the sales made through it, or the attempts made to promote it as a marketing tool. The evidence also did not indicate whether there is use of the Mark on the products themselves. These are all relevant matters when it comes to determining whether use on a website is genuine, as discussed above. Without the information the tribunal is not in a position to conduct the test required by the case law and accordingly the proprietor must be taken to have failed to prove genuine use. All it can conclude is that there was a website accessible on which the Mark was displayed.
30. A further issue concerns the alleged trail of consent via the licence and sub-licence agreements at SDW7 and SDW8. These documents are put forward to show that LCL held a sub-licence from FWLL, which in turn was licensed by SIL. However, the dates of the agreements do not fit together. The sub-licence was agreed on 17 March 2006 at a time when the 28 January 2005 licence was in place. By that licence SIL did not grant FWLL any right to grant sub-licences. It had to exploit itself, albeit that it could use agents, distributors and manufacturers. No evidence has been put forward to suggest that FWLL itself exploited the mark in the field of clothing.

Huckleberrys

31. The Hearing Officer also relied upon an extract from the Huckleberrys Menswear (“HM”) website, exhibit SDW9 (p.119). This extract is dated 15 February 2008 and is thus outside the relevant period, as the Hearing Officer recognised. However the Hearing Officer was prepared to infer that products bearing the Mark were available in the relevant period from HM because of the presence of a subheading referring to “Lambretta Summer 2007” under the “Lambretta Clothing” section of the website to which a link is shown in the extract.
32. Given the appropriate approach to the evidence, as discussed above, it is clear that the Hearing Officer was not justified in making this inference:
 - a. Even if a “Lambretta Summer 2007” category of clothing had existed in the relevant period, that was no evidence either that it was available in the UK by SIL or anyone acting with its consent at that time (or at any time during the relevant period) or as to what items of clothing fell within it (i.e. whether it included all or indeed any of the types of clothing for

which the Mark is registered). Indeed no extract from that part of the website (even after the relevant period) was provided, although that would have been easy to provide. The Hearing Officer has made a mere supposition from the HM website that someone was selling clothing bearing the Mark with SIL's consent in the relevant period. This is not enough.

- b. Even if “*a range of LAMBRETTA clothing was available at the time*” (¶31 of the Decision), this is insufficient for a finding of genuine use of the Mark by or with the consent of the proprietor. Save for the assertion by Mr Wilch that the purported offering of clothing bearing the Mark by HM amount to use “*by FWLL and their licensees*”, there is no proof that this was in fact the case.
- c. No evidence is given as to who manufactured the clothing that may have been available, or as to what the relationship between FWLL and HM (if any) was, other than Mr Wilch's accepted assertion. Was it FWLL who manufactured the clothing purportedly bearing the Mark (with HM acting as a distributor) or did HM make the garments under licence from FWLL? Was FWLL involved at all or was HM selling garments made by third parties or manufacturing clothes bearing the Mark without licence from FWLL or SIL? Such evidence falls squarely within that which would be in the knowledge and ability of SIL or its licensees to provide. Again, the omission of such evidence (other than by way of bare assertion from Mr Wilch) is telling.

Width of specification

33. Brandconcern also notes that the Hearing Officer's decision as to width of specification (“clothing, but not including underwear”) cannot stand, even if his findings as to genuine use do. In relation to '935 his decision has had the effect of widening the specification, as this mark was limited to “clothing, footwear and headgear, all for leisurewear” in class 25. That is plainly impermissible. In any case, there was no warrant to permit the registrations to survive in relation to any goods other than those in relation to which use was specifically found, but with the added rider “all for leisurewear”. For instance, it is clear from the lambrettaclothing.co.uk website extracts that nothing in the distinct sectors of formalwear or sports clothing was provided.

Class 25: Footwear

34. On footwear the Hearing Officer concluded that use of the Mark had been shown in relation to some footwear “probably with Scooters' consent” (¶49(iv) of the Decision), relying upon evidence in the form of sales evidenced by a single invoice for 67 products dating from 2003 and two webpages (the latter not being enough on their own to support his conclusion - ¶39 of the

Decision). Such a conclusion is on its face inadequate to support a finding of use: there has to be a conclusion that there *has* in fact been such use. Furthermore, the Hearing Officer did not conduct the overall assessment of the circumstances of the use required and failed to have regard to the fact that the necessary surrounding evidence needed to conduct the overall assessment of whether there was genuine use had not even been supplied by SIL (especially important given the very low number and value of sales recorded on the invoice), meaning that SIL had failed in its task of proving genuine use.

35. In any event, however, the Hearing Officer erred in his approach to the evidence and/or went clearly wrong in finding as a fact that there had been use in relation to footwear.

Invoices

36. As can be seen from ¶38 of the Decision, the Hearing Officer ultimately only relied upon a single invoice, that dated 5 February 2003 (SDW10 p.161), as proof of genuine use in class 25 for footwear. The invoice is from Lambretta Licencing Ltd. The invoice is for 67 products described as “Shield Tongue Black”, worth £1500 plus VAT. In his reasons the Hearing Officer states that he was prepared to accept on the basis of Mr Wilch’s evidence that this represents a sale under the Mark in relation to footwear. However:

a. The invoice relied upon makes no clear reference to a product that is identifiable as footwear.

Whilst the use of the word “tongue” may indicate a shoe it could well indicate something else (there is, for example, a “shield and tongue” type of belt buckle).

b. Nor does it make any reference to the products as bearing the Mark.

c. No basis is given by the Hearing Officer for accepting that that the product bore the Mark save for the bald assertions of Mr Wilch. For the reasons discussed above, the Hearing Officer could not properly accept such bald assertions, in circumstances where Mr Wilch he has not provided detail or supporting materials, or explained how he is able to make the assertions. Back in 2003, of course, he was merely an external accountant working for DKL.

37. Further, the evidence that the use was carried out with the consent of SIL was entirely deficient. The Hearing Officer ended up relying upon the mention of a licence supposedly granted by SIL to FWL dating from 2001, itself not in evidence, in the preamble to the 28 January 2005 licence at SDW7 (p.54). That mention did not say what the 2001 licence covered, but mentioned that it superseded a 1998 licence granted to DKL which was “in respect of goods in Class 25”. The

Hearing Officer found, in ¶24 of the Decision, that this was enough to infer that the 2001 licence covered footwear in class 25. Plainly, it was not.

38. In any case, the invoice the Hearing Officer ended up relying upon was issued by “Lambretta Licensing Ltd”, not FWLL. The Hearing Officer got round this by noting that on some later invoices (SDW10 pp.1163-165) “Lambretta Licencing” was given as the trading name for Derry Kunman personally and that he had a close connection with FWLL, to conclude that the use he believed to be established by the invoice was authorised by FWLL within the terms of 2001 licence. This simply does not stack up. There was no evidence that FWLL was permitted under the 2001 licence to grant sub-licences or delegate anything to Lambretta Licensing or DKL, nor was there any reason to suppose that the later licences which were in evidence reflected that earlier licence on the matter. In any event, the later licences take very different approaches to sublicensing and transferring rights.

Storm Leisure and Ciao

39. The Hearing Officer recognises that the Storm Leisure extract dated 18 February 2008 (SDW9 pp.117-118) is from after the relevant period. He also recognises that the Ciao extract (SDW9 pp.120-122), also dated 18 February 2008, is hearsay whose weight must be assessed. Though the Hearing Officer states at ¶39 of the Decision that such evidence is inconclusive on its own, in light of the invoice evidence (discussed above) he concludes that it is “probably” further evidence of use of the Mark in relation to footwear in the period 2003-4 probably through Mr Kunman and with FWLL and or SIL’s consent. Given the inadequacy of the invoice evidence, this evidence falls away.
40. The Hearing Officer nonetheless went clearly wrong in his assessment of it: Regarding the Storm Leisure extract, the only means by which the Hearing Officer based his finding that it is proof of genuine use in the relevant period is on the date recorded in a copyright notice “©2004” adjacent the Storm Leisure trading name. Such evidence is far too slender to show that the contents of the page as printed in 2008 were the same in 2004. It is inherently unlikely that a webpage giving business details such as opening hours and product ranges would be left completely unchanged for 4 years. It is much more likely that the copyright notice was simply part of the page template prepared when creating the website, probably in 2004.
41. Further, save for the bald assertion by Mr Wilch, no link is proved between FWLL and Storm Leisure/Original Shoe Co Aberdeen demonstrating that they are a distributor of FWLL products or a sub-licensee of them and so any use is authorised by SIL.

42. As regards the Ciao hearsay evidence the Hearing Officer never made an assessment of what weight should be given to the evidence despite identifying its hearsay nature. But more importantly, there is simply no evidence to suggest that this reference, which appears to be unspecified “lambretta” footwear, refers to footwear which has any connection with SIL or anyone acting with its consent.

Conclusion

43. For the reasons set out above, the Hearing Officer’s Decision was seriously flawed in finding that there was any genuine use of the Mark carried out with SIL’s consent. He should have concluded that no genuine use at all was shown.
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DISCUSSION ON COSTS

MR. BRANDRETH: Sir, as to costs, I ask for costs on the scale in favour of the party that succeeded on appeal.

THE APPOINTED PERSON: What is the scale do you think here? Your trade mark attorneys may well not have done a huge amount of work on this appeal. I do not want to disparage them. Do you want to check with them before we start discussing scales?

MR. BRANDRETH: The scale is a relatively small bracket.

THE APPOINTED PERSON: I know.

MR. BRANDRETH: It is not very difficult to get to the very top of it quite quickly. You are correct in saying, Sir, that the appeal was on limited points but it was done in respect of voluminous documentation and a high level of detail, one which you have remarked upon in your judgment. My learned friend's skeleton ran to 17 pages, only, I suspect, because he had used, as far as I can tell, the smallest font size you can and still be readable. In those circumstances, Sir, I am afraid to say that we ask that costs be at the top end of the scale before the hearing and the preparation therefore.

THE APPOINTED PERSON: What would you like to say, Mr. Hill?

MR. HILL: If you look at my learned friend's skeleton, it was brief in the extreme.

THE APPOINTED PERSON: I think he did it before he saw yours.

MR. HILL: I quite accept that. The work, if it was done, was after receipt of my side's skeleton.

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DISCUSSION ON COSTS

THE APPOINTED PERSON: Yes; that is what I would think, too.

MR. HILL: Even then, whilst there is a fair amount of detail in the skeleton, there is also quite a lot of what was relatively uncontroversial setting out of parts of case law, so it is not quite as long as it appears.

THE APPOINTED PERSON: He might have had to read Centrotherm for the first time ----

MR. HILL: Yes.

THE APPOINTED PERSON: ---- at several levels, since there were two parallel cases in Centrotherm.

MR. HILL: It is a normal case, in my submission. It is not a heavy case. Equally, it is not very light.

THE APPOINTED PERSON: All right. We are not going to turn it into a Moroccan carpet bazaar. The scale is the scale. I will do what I think is right. The losing party will pay to the winning party, in respect of this appeal, as a contribution towards its costs, the sum of £4,500 within 14 days of today's date.

MR. BRANDRETH: That will be the 24th of this month.

THE APPOINTED PERSON: If it is, it is. It should still be a Friday. Thank you.
