

**O-369-16**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF CONSOLIDATED APPLICATIONS**

**Nos. 500871, 500872, 500873, 500874 & 500875**

**BY BENTLEY MOTORS LIMITED**

**FOR REVOCATION OF TRADE MARK**




**Nos. 1180215, 1379187, 2177779A, 2177779B & 2505233**


**STANDING IN THE NAME OF**

**BENTLEY 1962 LIMITED**

## BACKGROUND

1) The following trade marks are registered in the name of Bentley 1962 Limited (hereinafter 1962).

Mark	Number	Date registered	Class	Specification
	1180215	12.08.82	25	Articles of knitted clothing; shirts and waistcoats.
 <p>Registration of this mark shall give no right to the exclusive use of the letter "B".</p>	1379187	11.01.91	25	Articles of knitted clothing; shirts, T-shirts, sweatshirts and waistcoats, jackets, trousers and shorts; all included in Class 25.
<p>BENTLEY</p>  <p>A series of two marks</p>	2177779A	17.09.99	25	Clothing; headgear; articles of knitted clothing, knitwear, jumpers, pullovers, cardigans, sweaters, shirts, sweatshirts, T-shirts, polo shirts, coats, jackets, top coats, overcoats, raincoats, car coats, waistcoats, blousons, articles of clothing for casual wear, trousers, slacks, shorts, jeans, articles of sports clothing, suits, trouser suits, skirts, blouses, dresses, swimwear, nightwear, pyjamas, nightdresses, lingerie, underwear, undershirts, brassieres, hats, caps, scarves, hosiery, stockings, socks, tights, ties,

				bow ties, belts, braces, gloves, suspenders, anoraks.
	2177779B	17.09.99	25	Clothing; headgear; articles of knitted clothing, knitwear, jumpers, pullovers, cardigans, sweaters, shirts, sweatshirts, T-shirts, polo shirts, coats, jackets, top coats, overcoats, raincoats, car coats, waistcoats, blousons, articles of clothing for casual wear, trousers, slacks, shorts, jeans, articles of sports clothing, suits, trouser suits, skirts, blouses, dresses, swimwear, nightwear, pyjamas, nightdresses, lingerie, underwear, underskirts, brassieres, hats, caps, scarves, hosiery, stockings, socks, tights, ties, bow ties, belts, braces, gloves, suspenders, anoraks.
BENTLEY	2505233	08.05.09	25	Clothing; footwear; headgear

2) By five applications all dated 4 June 2015 Bentley Motors Limited (hereinafter BM) applied for the revocation of the registrations shown above under the provisions of Section 46(1)(a) (re: 2505233) claiming there has been no use of the trade mark on the goods for which it is registered in the five year period 9 May 2009 – 8 May 2014, revocation is sought from 9 May 2014; and under 46(1)(b) (re:1180215, 1379187, 2177779A & 2177779B) claiming there has been no use of the trade marks on the goods for which they are registered in the five year period 25 March 2009 – 24 March 2014. Revocation is sought from 25 March 2014. Notice of the intention to file a revocation action was provided.

3) On 14 August 2015, 1962 filed its counterstatements. It contends that its marks have been used during the specified periods.

4) Both sides filed evidence. The matter came to be heard on 8 June 2016 when Mr Grimshaw of Messrs Mewburn Ellis LLP represented 1962; and Ms Scott of Counsel instructed by Messrs Eversheds LLP represented BM.

## **1962'S EVIDENCE**

5) 1962 filed five witness statements. The first, dated 16 October 2015, is by Christopher Robert Lees the Director of 1962. He is also a director of Brandlogic Ltd which is part of 1962's group. The other directors of the two companies are Robert Francis Ashworth Lees and Richard Michael Lees. In his statement he refers to all the marks collectively as "Bentley". He states that his company sells to retailers as well as direct to the public via retail concessions. He states that the company has also sought partnerships and licence agreements with other companies in order to fully exploit the Bentley mark. He confirms that the mark have been used on a wide range of clothing and that the marks appear on garment labels, garment embellishments, ticketing, point of sale signs and advertisements.

6) Mr Lees explains that use of the Bentley marks has been predominantly by Brandlogic Ltd, with both companies having the same address and the same Directors. The two companies are controlled by the Lees family who have owned the two companies and the trade marks throughout the relevant period. He states that use of the marks by Brandlogic Ltd is with the consent of 1962. He states that the company was initially incorporated as Nextstand Ltd on 24 November 1997, changing its name to Bentley Advanced Technology Clothing Ltd on 18 May 2005 and then becoming 1962 on 6 December 2010. Similarly, the trade marks in the instant case were purchased by Nextstand Ltd on 21 July 1998, before being assigned to Richard and Christopher Lees in March 2001, then assigned in December 2010 back to Bentley Advanced Technology Clothing Ltd which then became 1962. Exhibits CRL 1 & 2 confirm these statements with photocopies of various entries in the Companies House Register and IPO register.

7) Mr Lees provides the following retail sales figures for the Bentley marks in the UK as follows:

Year	Sales £
2007	53,797

2008	76,206
2009	74,917
2010	55,741

8) Mr Lees states that the development of the marks has been hampered by the activities of BM which has sought to claim ownership of the mark BENTLEY for clothing and which has caused potential customers to cast doubt upon the legal right of 1962 to trade under its marks and that this has hampered development plans. He provides details of discussions between BM and 1962 in 1998 regarding collaboration between the two parties, but following meetings and exchanges of correspondence the matter went no further. Then, in 2005, BM sought to register the mark BENTLEY for clothing. 1962 wrote reminding BM of the previous communications but received a reply from BM's lawyers stating that they hoped an agreement would be reached. However, following publication of the BM mark 1962 filed an opposition which led to BM withdrawing its application. He describes how 1962 also found out that BM had infringed its trade marks and sought an agreement rather than going to court. At a meeting with BM he was informed that BM had approached a number of UK companies regarding producing and selling clothing on behalf of BM. Several of these companies have dealt with 1962. Mr Lees states that they were led to think by BM that an agreement would be possible. 1962 also took action to stop a Bulgarian company registering a Bentley mark at OHIM in 2007/08.

9) Mr Lees provides a chronology of the use and reasons for non-use of the Bentley marks by 1962. He states that the company has always placed the greatest weight upon use of the word mark BENTLEY, and that this has appeared on all garments labels, ticketing signs, brochures and sales returns. He states that until mid-2010 his company sold a range of clothing under the marks in suit through concessions in various department stores and retail outlets across the UK. Because only Bentley branded items were supplied no catalogues or brochures were required and consequently it was unusual to take photographs of the goods. However, he has managed to locate some photographs which are included at exhibit CRL 6. The concession stores were run by Baird Menswear Brands (BMB) and contracts were with the company rather than the stores. From March 2009 until 31 December 2010 turnover in Bentley brand goods through these outlets totalled approximately £130,658. The clothing included men's and ladies' clothing, sweaters, T-

shirts, shirts, knitwear, jersey wear, jersey shirts, polo shirts, jackets, coats, gilets, waistcoats, hats, scarves and gloves. In addition the company also supplied department stores such as, inter alia, a chain of Vergo stores in East Anglia and South England, Lewis' in Liverpool, Joplings in Sunderland and The Co-operative Society in Tamworth, until March 2010. At exhibit CRL 5 he provides copies of three concession agreements, which state that they will run for a minimum period of six months, but will continue until terminated. These stores produced weekly sales reports of the goods sold.

10) Mr Lees states: "Following a review of our business and commercial strategy, we decided to move away from directly managing our own concessions in March 2010." The company therefore looked for potential partners to take the brand forwards. He states that a number were deterred by the potential dispute with BM. Although some discussions have gone well they have also had the misfortune of some of the potential partners going into liquidation. The company sold its concession retail business to a mail order firm Chums Ltd in March 2010, however he claims that they still sold through seven retail stores in England such as Baldwins Department stores in Ipswich, Stowmarket & Harwich; Hearts Delight Garden Centre in Essex and also Ena Mill Retail Ltd, Broadstone Mill Shopping Outlet Ltd and Total Cricket Ltd for which locations are not provided. Mr Lees states that the process of garment design can be a drawn out process. He claims that 1962 have spent much of the time between 2010 and present in seeking partners/ licensees to produce the products.

11) Mr Lees states that 1962 commissioned design work from Paul Cartwright Branding UK Ltd which included various T-shirt designs, a redesigned website, and artwork for various labels, badges and swing tags. Exhibit CRL 17 refers. He goes onto state that in 2013 1962 held discussions with yourbrandspace.com, a website which wholesales fashion brands to retailers. However, the exhibit merely consists of pages from the wholesaler's website showing how to apply to have them sell your items. The garments are said to have been produced for 1962 by a Portuguese company called Tips & Trends. Unfortunately the samples provided were not of the required standard.

12) Mr Lees also claims that in 2013 detailed discussions took place with a company called Chilli Ltd regarding a potential license agreement. A heads of agreement was drawn up, but at the last moment Chilli Ltd pulled out of the deal due to their concern about BM's legal and commercial position regarding use of the Bentley trademark on clothing. Following this,

he states that 1962 held discussions with I-Text (UK) Ltd which designs garments and also arrange for their manufacture. These designs are shown at exhibit CRL 26, where AW14 refers to Autumn/Winter 2014 and SS15 refers to Spring/Summer 2015. The designs covered garments such as hooded sweatshirts, t-shirts, polo and rugby shirts, knitted jumpers, socks, hats, coats, jackets and shorts. A pro-forma invoice was issued by I-Text to Brandlogic Ltd on 14 October 2014 for a 25% deposit on an order for £55,962 worth of goods. Because of a late change in the payment terms this order was not actually placed.

13) Whilst seeking to get goods designed and manufactured, 1962 has also spent money on having labels designed to use in these garments. Mr Lees provides details of artwork commissioned from Weavabel Ltd in Leeds for Bentley branded labels including swing tags, and size labels. A number of invoices were received totalling £6,609 during the period May - June 2013. He also provides evidence (exhibit CRL 29) of discussions with Edinburgh Woollen Mill between December 2013 and March 2014 which resulted in an offer to buy the Bentley brand for £500,000. This offer was refused. Mr Lees states that during November and December 2014 his company provided Bentley clothing to Baldwin's stores in Ipswich, Stowmarket and Dovercourt. Invoices for these garments were issued in January to March 2015 and total £2,873.85. The goods include fleece jackets, hooded tops, sweatshirts, t-shirts and scarves. Exhibits CRL 30 and 31 refer.

14) Mr Lees states that discussions have also taken place with, inter alia, Total Cricket Ltd, BHS, Whispering Smith Ltd, The Hut Group, GSI Commerce International, Genie & the Geek, Associated Independent Stores Ltd, Brand Partners UK Ltd, Dewhirst Group Ltd, Dishang Cherry (Europe) regarding the provision of a range of Bentley branded clothing either for them to retail, wholesale or supply. He provides copies of emails at exhibit CRL 37-50. Mr Lees maintains that throughout 1962 has sought to protect its rights by ensuring that, for example, sellers on eBay and Amazon were removed if they infringed upon the rights of 1962. Exhibit CRL 21 refers. He provides the following exhibits:

- CRL 3: A copy of an agreement between 1962 and Brandlogic Ltd, dated December 2010, which Mr Lees confirms relates to all the marks in the instant case and which appoints Brandlogic Ltd to manage and develop the Bentley marks.

- CRL 6: Photographs of various items of clothing which are undated. It was contended that the photograph can be dated by reference to the order for signs ordered in March 2009 (exhibit CRL 56). However it is possible that the sign shown in the photograph was ordered some time prior to March 2009 and therefore prior to the relevant period. Also the garment referred to on the rail appears to have a neck label with the word “BENTLEY” upon it, although this is not particularly easy to make out. It is not possible in the copy of the photograph supplied to state that the label is the “lozenge” label 1180215.
- CRL 7: Copies of weekly sales reports from the Co-op in Mansfield dated 12 & 19 December 2009. They total £4,386 and refer to the sale of 198 items. They refer to sales of caps, sweaters, cardigans, scarves, jackets, gilets, beanies and waistcoats. The sales slips refer to sales of “BENTLEY” goods.
- CRL 8: Examples of remittance analysis and “pay on sales invoices” from BMB Clothing Ltd to Brandlogic Ltd. The pay on sales invoice shows the total gross sales value of Bentley branded clothing sold that week. These documents are dated between 28 March 2009 and 27 March 2010. However, the garments are only referred to by number codes and there is no explanation as to which garments the numbers refer, with the following exceptions: caps (pages 139 & 141), gloves (page 143), scarves (page 143) and jumper (page 147).
- CRL 9: Weekly sales reports regarding BENTLEY branded garments from Co-op and Vergo stores in Tamworth, Colchester and Clacton during the period 21.03.09 – 01.04.10. The reports all refer to BENTLEY branded clothing. However, the reports show code numbers which are not decoded, and also the total sales.
- CRL 10: A copy of a promotional leaflet, dated 2009/10, for Oswaldtwistle Mills retail outlet which states that it has a Bentley concession.
- CRL 11: A copy of a promotional leaflet which shows the Autumn/Winter 2009 range of Bentley garments. It refers to BENTLEY hats, scarves, caps and gloves.



- CRL 12: An invoice to Chums Ltd dated 27 August 2010 relating to a balance payment from the sale in March 2010 of £4,550. It refers to the total purchase price of £30,550. The goods are not specified and referred to simply as BENTLEY goods.
- CRL 14: Photographs of various garments, only one of which (page 197) is dated (13 March 2015). However, this was when the photograph was taken. It shows a shirt with the mark registered under 2177779B in the neck. Mr Lees states that these goods were produced as samples in 2011. The other garments shown in the photographs include sweaters, pullovers, T-shirts, hooded tops, and Rugby shirts all of which have the mark BENTLEY upon them. See also comments in paragraph 26 below, as these last goods are now claimed to have been manufactured in 2013.
- CRL 15: A photograph of a polo shirt and caps which have the BENTLEY mark upon them and also the swing tag. The photograph is dated 5 November 2012. These are said to be samples being developed by 1962.
- CRL 16: Photographs of shirts and shorts which have the “belt mark” (as registered under 1379187 & 2177779B) upon them. These are dated 13 August 2012.
- CRL 17: Photographs of garments and labels created for 1962 by Paul Cartwright Branding UK LLP in 2012. In addition to the BENTLEY mark it also shows use of UK marks 1379187 & 2177779B on the front of a T-shirt (page 222). Also provided are copies of invoices for this work dated from March to December 2012 which total £2229.60.
- CRL 18: A copy of an article from the UK Fashion and Textile Association website, dated 29 October 2012, which states that 1962 is seeking manufacturers to work with it in producing garments in the UK under the BENTLEY mark.
- CRL 19: Copies of invoices dated April 2014- February 2015 relating to T-shirt, design, production of sample and photographs of same and also a new website.

- CRL20: Various pages from Facebook which appear to be dated 2015. It is not clear to whom these were sent or who if anyone actually read them. It does show, inter alia, trade mark 2177779B. It seems to be more of a running commentary on various sporting activities such as Wimbledon, The Ashes and football tournaments rather than advertising products. Although certain pages were specifically referred to as showing use by 1962 at the hearing, I note that the pages in question (257, 259 and 278) do not give details of particular items of clothing, prices or where they can be purchased.
- CRL 23: A copy of an invoice, dated 29 July 2013, from Tips and Trends totalling €466, and relating to the provision of samples of hoodies, sweaters, T-shirts, polo shirts, chinos, with the word BENTLEY upon them.
- CRL 24: Copies of emails with Chilli Ltd in 2013 regarding a licence for them to manufacture and sell BENTLEY clothing. It is clear that the fear of being sued by BM for infringement caused the deal to collapse.
- CRL 25: A copy of the licence that was prepared for Chilli Ltd. It lists the garments that would have been covered and includes headwear, footwear and a large variety of clothing.
- CRL 26: Copies of designs created by I-Text (UK) showing various proposals for use of a variety of BENTLEY marks on garments such as T-shirts, polo and rugby shirts, hoodies, jumpers, sweatshirts, socks, hats, jackets, and shorts. Although the only item dated is an invoice from October 2014, the designs show markings referring to Autumn/Winter 2014 or Spring/Summer 2015. There are also examples of the “lozenge” marks (2177779A & 1180215) on hooded tops, knitwear, sweatshirts, jackets, coats and shirts. This use is on what is referred to as a “pleather badge” which appears to be a small brown leather type badge in the shape of the lozenge with the word “BENTLEY” printed upon it.

- CRL 27 Copies of artwork produced relating to labels using the word BENTLEY and variations of it including the letter “B”. Eight invoices relating to the provision of the artwork dated May and June 2013 are also provided.
- CRL 29: Copies of emails with Edinburgh Woollen Mill regarding the purchase of the Bentley trade marks.
- CRL 30: Copies of three invoices dated 30 January 2015, 28 February 2015 and 5 March 2015, all addressed to Baldwins Department Store in Harwich. Only the February invoice identifies the garments provided. This invoice lists fleece jackets, hooded tops, sweatshirts, T-shirts and scarves and amounts to £2,320.
- CRL 31: Copies of pages from the website of Baldwins Dept Stores. These show that the stores stock Bentley Menswear and it also shows a picture of a fleece jacket under the BENTLEY label.
- CRL 32 & 33: Photographs of garments such as sweatshirts, polo shirts, T-shirts, trousers, knitwear and rugby shirts with swing tags and neck labels showing the name BENTLEY. They are undated but are said to be from 2014. These show use of the word BENTLEY and a variety of unregistered marks none of which are close to the other registered marks. These unregistered marks appear to be those shown in exhibits 17 and 27.
- CRL 34: Copies of emails opening discussions regarding Visage Group stocking the Bentley range, dated October 2014.
- CRL 36: Undated photographs which show a range of garments such as T-shirts, jackets, sweatshirts, which are said to have been taken for the 2015 range. They are clearly from the same photographic shoot which included the photograph shown on the Baldwin’s website see CRL 31 above. They also include designs shown at exhibits 19 (December 2014) and 17 (February 2015).

- CRL 37 – 50 inclusive : Copies of correspondence with a variety of potential stockists/retailers dated February 2015, August 2012, April 2012, February 2012, March 2012, March 2015, and March 2012, as well as wholesalers in August 2013, and potential suppliers in November 2011, May 2012, March 2013, January 2013, April 2013 and October 2011. In all cases the discussion centred mainly around BENTLEY or BENTLEY 1962 marks, although other variations were mentioned.

15) The second witness statement, dated 15 October 2015, is by Kevin Jackson the BMB manager of the Menswear Department at the Mansfield Co-operative Department Store. He states that Bentley clothing had a concession in his store, operated by Brandlogic, from 2006 to April 2010, and sold a variety of garments and hats. After April 2010, the Bentley stock continued to be sold by Chums Ltd for some time.

16) The third witness statement, dated 14 October 2015, is by Harish Patel a store manager for Moss Bros Group Plc since 2014. Previously he states he was an Area Manager for BMB (Baird Group) a position he held from 2000 – April 2014. In this position he controlled many BMB concessions in department stores and factory outlets. He states that Bentley clothing was sold across BMB's outlets and performed very well. He states that all the clothing supplied by Brandlogic was ticketed and labelled BENTLEY. Although handled by Brandlogic it was always referred to as BENTLEY clothing and sold in the BMB concessions from 2005 to April 2010. Following this goods bearing the mark were sold by Chums Ltd until the stock ran out.

17) The fourth witness statement, dated 14 October 2015, is by Richard Ireland the menswear controller of Associated Independent Stores Ltd, a position he has held since 1995. He states that his company has more than one thousand stores in the UK. He is well acquainted with 1962 and has purchased Bentley clothing from them for his company's stores since the 1980s. He states that the range of men's clothing sold under the BENTLEY label included jackets, coats, knitwear, shirts and shorts. He states that all the goods had Bentley labels, tickets and signage. He states that he came into contact with the company again in 2011 and discussed marketing a new range of Bentley menswear in AIS stores.

18) The fifth witness statement, dated 12 October 2015, is by Kevin Baldwin, the Managing Director of Baldwins Department stores Ltd which has stores in Stowmarket, Ipswich and

Dovercourt. He has also worked for the Co-operative Society and Vergo Retail Ltd. He states that he sold Bentley clothing in co-op and Vergo stores until 2010. Having established his own stores he began, in November 2014, to stock Bentley jackets, sweaters, knitwear, hooded tops, polo shirts, t-shirts for men and women.

## **EVIDENCE OF BM**

19) BM filed two witness statements. The first, dated 18 December 2015, is by Kate Ellis, BM's Trade Mark Attorney. She states that following a review of 1962's evidence BM is withdrawing its cancellation request in respect of UK 2505233 in respect of clothing and headgear. She states that BM does not accept that the recommencement of use of the mark in 2014 was genuine. Instead of seeking an invalidity due to non-use, BM will file an invalidity action based upon its earlier rights in the mark. She also points out:

- No copies of assignments between the various owners of the marks have been provided.
- Copies of company accounts show that 1962 has been dormant for the period 1999-2014, whilst Brandlogic's accounts show a steep decline after 2009 with shareholder funds for the most part being under £20,000 and it is known that the company also sells products under the brand BENBROOK (exhibits KE1 & 2).
- Many of the assertions made by Mr Lees are not corroborated by documentation. Even where documentation is provided it is often undated. There is no claim or evidence of sales relating to footwear. There is no evidence of use of any of the marks (with the exception of 2505233). The sale to Chums Ltd does not specify what mark is on the clothing.
- The evidence of labels being designed does not show any of the registered marks. It is not clear if any of the labels were actually manufactured. Although much has been said about discussions with potential investors, little corroboration has been produced and none of this activity interfaces with the public.

20) Ms Ellis also questions whether the use shown recently was genuine as in late 2014 1962 opposed a BM application in OHIM for the mark BENTLEY in relation to, inter alia, goods in class 25. She states that 1962 would have known that it could be put to proof of use and hence it had various items manufactured and sold by someone who was well known to the management of 1962 as they had been dealing with Mr Baldwin for many years in a variety of positions. She also notes that the sales are very small, amounting to less than £3,000. She states that enquires made by members of her company in June 2015, elicited that no BENTLEY branded clothing was being sold in Ipswich, and only a limited supply in Stowmarket. The only mark used on the items of clothing purchased was UK 2505233. Exhibits KE 7-9 refer.

21) The second statement, dated 18 December 2015, is by Justine Pridding, in-house counsel for BM a position she has held since 2007. She states that in November 2015 she was contacted by Mr Gerald Bentley who founded the company Roy Bentley Ltd in 1962 and owned it until 1990/91. It is claimed that Mr Bentley became aware of the instant case and contacted BM to correct factually inaccurate information in the news article he had read about the case. The following information is said to have been told by Mr and Mrs Bentley to Ms Pridding during a meeting. The evidence is therefore hearsay evidence. I also note that Mr and Mrs Bentley claim to have been “outwitted” by the Lees family who own 1962. It is claimed that Mr and Mrs Bentley agreed to sell the marks in suit to a company owned by Mr Lees. It is stated that at the time of the buy-out Mr and Mrs Bentley were paid £100,000 and retained on a three year “earn out”. However, they received no other monies and left Bentley Knitwear in about 1994. They sued the company for breach of contract. It is claimed that the Lees family put the company into liquidation and then purchased the trade marks from the administrator for £2,000. Given this history I must also regard Mr Bentley’s comments as being from an interested party not an independent source.

22) It is stated that Mr Bentley’s company made a range of men’s clothing including knitwear, polo shirts, blousons, coats and shorts which were sold under a variety of marks such as “R Bentley”, “Rich Boy”, “Bentley”, “Bentley plus Lozenge device” and Bentley plus belt device”. It is claimed that Mr Bentley stated that his company never sold women’s clothing.

23) Ms Pridding states that she is unable to comment on any discussions between The Lees family and BM in 1998 as she did not work for BM at the time. She was also not working for BM during the period 2004-2007 when BM and the Lees family discussed a possible arrangement, but states that it is her understanding that the payments required by the Lees family were excessive and so no agreement was reached. She states that since 2007 she has, from time to time, undertaken internet searches for use of the mark BENTLEY, but has not identified any such use by Brandlogic on the internet.

### **1962's EVIDENCE IN REPLY**

24) 1962 filed two witness statements. The first, dated 17 February 2016, is by Robert Francis Lees a Director of 1962 and Brandlogic Ltd. He provides details of his history in commerce which show that he has been involved in various industries over the years and was a very successful and highly regarded businessman. He states that he purchased the trade marks and goodwill from Mr & Mrs Bentley, not their company as it was in severe financial difficulties. Mr & Mrs Bentley breached their service contracts and so were dismissed in May 1992. He states that his company re-established the Bentley brand across the UK. In 1998 his company was put into receivership by the bank, but through Brandlogic his family continued to operate the Bentley brand. All the efforts, and monies, of the family have been put into returning the Bentley brand to its former position. However, this has not been helped by the activities of BM.

25) The second statement, dated 18 February 2016, is by Christopher Lees who has provided evidence earlier in these proceedings. He states that he filed copies of the assignments as registered by the IPO at exhibit CRL2. However, this exhibit does not show the actual assignments documents merely the Registry history of the owners of the various marks. It is silent on the issue of goodwill. He states that the mark BENBROOK was first used in Autumn/Winter 2009 and only accounted for a small proportion of sales. He states that many of the items sold are unisex such as fleeces, caps, sweaters, hats, scarves and gloves. He also refers to the witness statement of Mr Jackson and page 39 of exhibit CRL 5, which consists of a copy of an agreement with BMB Concessions which states at clause 6 that the stock "will be comprised of Ladies' and Men's casualwear". He explains that the swing tickets from all garments would be returned by the concessions to Brandlogic and so they had an accurate picture of precisely what had been sold on a weekly basis. He states

that concessions are different from other forms of retailing, in that the brand owner is responsible for stocking the concession outlet and so there is no need for brochures or price lists as the brand owner simply sends whatever stock it wants to sell in the concession and this can consist of short runs and differ significantly between outlets depending on what sells in the area. He states that this is why the sewn in label and swing tag are used as the other signage maybe limited.

26) Mr Lees claims that use on socks (CRL26 and CRL 60) amounts to use on footwear. He also claims to have agreements in place with producers, but is unwilling to disclose the names as BM have approached such suppliers previously. Mr Lees claims that they have shown use of the “belt mark” (1379187 & 2177779B) at pages 197-200 of exhibit CRL 14. I have reviewed these pages, and whilst they do show the “belt mark” I adhere to my earlier comment that the pages are undated. Mr Lees again contends they were, he believes, samples from 2011. He now states that other items shown in exhibit CRL 14 “are some of the BENTLEY branded samples produced by Tips and Trends in July 2013”. I note that BM has accepted that 1962 have used the word mark BENTLEY upon its clothing. He also contends that CRL 14 pages 190-193 show a T-shirt, hoodies and sweater with the lozenge mark (1180215 & 2177779A) which he states was designed by Paul Cartwright in November 2012. He refers to page 220 of CRL17 for corroboration. Unfortunately, none of the designs in exhibit CRL 17 could be described as a lozenge mark. Although page 222 does show the “belt mark” on a garment. He refutes the claim by BM that the recent use was sham, describing it as “genuine” and “simply a continuation of the development of the business”. He states that all of the garments designed and made as samples by I-TEX had woven labels with the word BENTLEY or the lozenge design or belt design upon them sown inside the neck of each garment, although this is not visible on the CAD designs provided at exhibit CRL 26.

27) Mr Lees states that simply because they know Mr Baldwin well and have dealt with him for a number of years should not result in claims that his statement is anything other than truthful. He repeats his earlier statement that Mr and Mrs Bentley were fired on 1 May 1992 and under their terms and conditions were not due any further payments. Mr Bentley brought an unsuccessful legal action against Bentley Knitwear Ltd, a predecessor of 1962. Mr Lees states that Mr Bentley should be regarded as vexatious. He provides the following exhibits:



- CRL 53: A copy of a statement made by Mr Lees, dated 15 September 2009, in relation to an opposition in OHIM. He states that it provides evidence of use of the Bentley marks. However, many of the exhibits attached to the statement are so badly photocopied as to render them unreadable. Others are undated or show sales figures against codes where the codes are unexplained.
- CRL 54: An email, dated 29 December 2007, from the BMB concession in Goole asking for “another 50 ladies knits in size 38 and above only”.
- CRL 55: A sample of weekly sales returns from Vergo Department stores in East Anglia and the co-op in Tamworth. These are dated November/December 2009 and show that they refer mostly to Bentley goods with some also referring to the Benbrook brand. However, it is not clear precisely what has been sold as no details on products are provided merely codes.
- CRL 56: Copies of emails, dated July 2008, providing a price for 15,000 swing tags. Also an email dated March 2009 ordering 30 signs showing the word BENTLEY, for use on garment rails. It is claimed that these signs would have still been in use in March 2010.
- CRL 59: This includes invoices from Tips and Trends referred to in his first witness statement as having provided samples which were not of the required standard and so nothing came from this contact. Included here are invoices dated 17 June 2013 for €531 and another dated 2 April 2013 for €83. These refer to a number of different types of garment but it is not clear quite what mark was used on each garment. There are references to a number of different Bentley marks such as, inter alia, BENT 2, BENT 7 and BENT 8. He states that the invoice refers to the photographs at exhibit CRL 32 described earlier.
- CRL 62: At page 279 there is a photograph dated 9 February 2016 which shows a group of neck-labels with mark 1180215 upon it. Page 282 shows a knitted jumper

with a neck-label with trade mark 1180215 upon it. This photograph is also dated 9 February 2016.

28) At the hearing I enquired of 1962 whether the various assignments mentioned included the transfer of goodwill. It was stated that this was included and at my request, and with the agreement of BM, 1962 supplied copies of two assignments following the hearing. The first assignment is between Nextstand Limited and Richard & Christopher Lees. It is dated 7 March 2001 and covers trade marks 1180215, 1379187 2177779A and 2177779B. All rights and the goodwill associated with the marks are covered in the assignment. The second assignment, dated 18 June 2010 is between Richard & Christopher Lees and Bentley Advanced Technology Clothing Ltd and covers trade marks 1180215, 1379187, 2177779A, 2177779B and 2505233. It includes all rights and goodwill associated with these trade marks.

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

## **DECISION**

30) On 18 December 2015 BM wrote to the IPO stating:

“To confirm, Bentley Motors Limited is withdrawing its cancellation action in respect of Bentley 1962 Limited’s UK trade mark registration for BENTLEY (number 2505233) in so far as it relates to clothing and headgear. The cancellation action will however, be pursued in respect of footwear. Moreover, for the avoidance of doubt we have separately lodged an invalidity action at the UK IPO earlier today in respect of Bentley 1962 Limited’s UK registration for BENTLEY (number 2505233) in its entirety.”

31) The letter also states that BM does not accept that the recommencement of use of the mark in 2014 was genuine.

32) The revocation action is based upon Section 46(1)(a) & (b) of the Trade Marks Act 1994, the relevant parts of which read as follows:

“Section 46(1) of the Act states that:

“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;

(c).....

(d).....

(2) For the purpose of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made: Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) An application for revocation may be made by any person, and may be made to the registrar or to the court, except that –

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from –

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existed at an earlier date, that date.”

33) Section 100 is also relevant, which reads:

“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.”

34) The revocation action was filed on 4 June 2015 with revocation sought under Section 46(1)(a) & (b) as follows:

In respect of 2505233 (now footwear only) the period under section 46(1)(a) is 9 May 2009 – 8 May 2014, with a revocation date of 9 May 2014.

In respect of 1180215, 1379187, 2177779A and 2177779B the period under section 46(1)(b) is 25 March 2009 – 24 March 2014 with revocation sought from 25 March 2014.

35) At the hearing I put to BM that the evidence of use of the word mark “BENTLEY” on clothing and headgear was simply overwhelming and that marks 2505233 and 2177779A it would remain on the register for their full specifications. Ms Scott did not take exception to

this and put no case against the finding that 1962 had shown use of the word mark “BENTLEY” on clothing and headgear. However, she contended that mark 2177779A was invalid as it was not a series and therefore whilst she did not contest that the simple word mark shown first in the series would remain upon the register she contended that as no use had been shown upon the second mark in the series this element of the mark should be revoked.

36) Also at the hearing, 1962 accepted that it had not used its mark 2505233 upon footwear, as socks do not qualify as footwear but are regarded as clothing. They accept that the registration will therefore be amended. 1962 contended that they had shown use 1180215, and the second mark in 2177779A which was referred to by both parties as the “lozenge” mark. 1962 also contends that it used marks 1379187 & 2177779B (otherwise referred to as the “belt” marks) on its Facebook and LinkedIn pages although they accept that they did not show any sales under the belt marks.

37) In determining whether 1962 has used its trade marks I take into account the case of *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, where Arnold J. summarised the case law on genuine use of trade marks. He said:

“I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market

share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

38) I also take into account the case of *Naazneen Investments Ltd v OHIM*, Case T-250/13, in which the General Court upheld a decision by the OHIM Board of Appeal that the sale of EUR 800 worth of non-alcoholic beverages under a mark over a 5 year period, which had been accepted was not purely to maintain the trade mark registration, was insufficient, in the economic sector concerned, for the purposes of maintaining or creating market share for the goods covered by that Community trade mark. The use was therefore not genuine use. The relevant part of the judgment of the General Court is as follows:

“46. In the fifth place, the applicant argues that, in accordance with the case-law cited in paragraph 25 above, use of a trade mark is to be regarded as token if its sole purpose is to preserve the rights conferred by the registration of the mark. It claims that the Board of Appeal contradicted itself by stating, on the one hand, in paragraph 31 of the contested decision, that the total amount of transactions over the relevant period seemed to be token, and by stating, on the other hand, in paragraph 42 of the contested decision, that it did not doubt the intention of the proprietor of the mark at issue to make real use of that mark in relation to the goods in question.

47. In this connection, suffice it to point out that the applicant’s argument is based on an incorrect reading of the contested decision. The Board of Appeal used the term ‘token’ to describe the total amount of transactions, approximately EUR 800, and not to categorise the use of the mark at issue.

48. In the sixth place, the applicant claims that the Board of Appeal, by relying solely on the insufficient use made of the mark at issue, did not comply with the case-law according to which there is no quantitative threshold, determined a priori and in the abstract, that must be chosen in order to determine whether use is genuine. The

Board of Appeal also failed to comply with the case-law according to which even minimal use may be sufficient in order to be deemed genuine.

49. According to the case-law, the turnover achieved and the volume of sales of the goods under the mark at issue cannot be assessed in absolute terms but must be assessed in relation to other relevant factors, such as the volume of commercial activity, the production or marketing capacities or the degree of diversification of the undertaking using the trade mark and the characteristics of the goods or services on the relevant market. As a result, use of the mark at issue need not always be quantitatively significant in order to be deemed genuine (see, to that effect, judgments in *VITAFRUIT*, cited in paragraph 25 above, EU:T:2004:225, paragraph 42, and *HIPOVITON*, cited in paragraph 27 above, EU:T:2004:223, paragraph 36). Even minimal use can therefore be sufficient in order to be deemed genuine, provided that it is warranted, in the economic sector concerned, to maintain or create market shares for the goods or services protected by the mark. Consequently, it is not possible to determine a priori, and in the abstract, what quantitative threshold should be chosen in order to determine whether use is genuine. A de minimis rule, which would not allow OHIM or, on appeal, the General Court, to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, to that effect, order of 27 January 2004 in *La Mer Technology*, C-259/02, ECR, EU:C:2004:50, paragraphs 25 and 27, and judgment of 11 May 2006 in *Sunrider v OHIM*, C-416/04 P, ECR, EU:C:2006:310, paragraph 72).

50. In the present case, contrary to what the applicant claims, the Board of Appeal did not determine a minimum threshold 'a priori and in the abstract' so as to determine whether the use was genuine. In accordance with the case-law, it examined the volume of sales of the goods in question in relation to other factors, namely the economic sector concerned and the nature of the goods in question.

51. The Board of Appeal accordingly took the view that the market for the goods in question was of a significant size (paragraph 28 of the contested decision). It found also that the goods in question, namely non-alcoholic beverages, were for everyday use, were sold at a very reasonable price and that they were not expensive, luxury goods sold in limited numbers on a narrow market (paragraph 29 of the contested decision). Furthermore, it took the view that the total amount of transactions over the



relevant period, an amount of EUR 800, seemed to be so token as to suggest, in the absence of supporting documents or convincing explanations to demonstrate otherwise, that use of the mark at issue could not be regarded as sufficient, in the economic sector concerned, for the purposes of maintaining or creating market shares for the goods covered by that mark (paragraph 31 of the contested decision).

52. It is therefore apparent, contrary to what the applicant claims, that it was in accordance with the case-law cited in paragraph 49 above that the Board of Appeal took the view that, in the present case, minimal use was not sufficient to be deemed genuine.”

39) I also look to *Awareness Limited v Plymouth City Council*, Case BL O/230/13, where Mr Daniel Alexander Q.C. as the Appointed Person stated that:

“22. The burden lies on the registered proprietor to prove use..... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

and further at paragraph 28:

“28. .... I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification.

The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted.”

40) I also note that in *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL 0/404/13, Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and

just as importantly what it does not 'show' (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use."

41) I first turn to consider the evidence in respect of mark 1180215 the "lozenge" mark. Only three of the exhibits relate to potential use of the mark. These exhibits are CRL 6, 26 & 62 and have been summarised earlier in this decision. CRL6 is undated and despite contentions that it can be dated by way of a sign shown in the photograph it could easily have been prior to the relevant period of 25 March 2009 – 24 March 2014. CRL 26 appears to relate to proposals for clothing rather than actual use on clothing offered for sale. I also note that the only dates from this exhibit are after the relevant period. CRL 62 is clearly dated after the relevant period. **Taking all the above into account I conclude that no use of mark 1180215, as registered, has been shown in the relevant period.**

42) Although there has been no use of mark 1180215 as registered I must consider whether the use of mark 2505233 for the word BENTLEY only is able to be regarded as use of mark 1180215. If I consider that the device of a lozenge does not have a distinctive character then the distinctive character of the mark would be the word only element and, as such, 1962 could rely upon the use filed in respect of 2505233 to maintain the registration. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under s.46(2) of the Act as follows:

"33. .... The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

43) The same point was raised in *Remus Trade Mark* – BL O/061/08 (Appointed Person) & *AO Alfa-Bank v Alpha Bank A.E.* - 2011 EWHC 2021 (Ch) and *Orient Express Trade Mark* - BL O/299/08 (Appointed Person). Although these cases were decided before the judgment of the Court of Justice of the European Union (“CJEU”) in *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, they remain sound law so far as the question is whether the use of a mark in a different form constitutes genuine use of the mark as registered. The later judgment of the CJEU must also be taken into account where the mark is used as registered, but as part of a composite mark.

44) To my mind, the device element is simply a representation of the edge of a label which is precisely as it apparently is used upon garments. I do not believe that it has any distinctive character. The distinctive character of the mark is the word element, therefore use of the word only element is sufficient to be regarded as use of mark 1180215. **The result of this is that I find that there has been use of mark 1180215 within the relevant period.**

45) It is clear from the evidence that the word “BENTLEY has been used on an array of clothing and headgear and as the mark is registered for “Articles of knitted clothing, shirts and waistcoats” all of which are individually mentioned by 1962 (see paragraph 9) the mark maintains its registration in full.

46) With the finding at paragraph 41 above in mind I turn to consider the contentions advanced regarding revoking the second mark in the series from trade mark 2177779A. Ms Scott contended that the mark had been erroneously registered as the marks were not a series. She therefore sought to have the second mark in the series, the “lozenge” mark revoked. Although unable to provide a previous case where one mark in a series had been revoked, she sought to rely upon the comments of the Court of Appeal in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 455 GLEE where at paragraph 43 Kitchin LJ stated:

“Seventh, I have given careful consideration to the submission made by Mr Purvis for Fox that the interpretation urged by the Comptroller is unworkable. How, said Mr Purvis, are the non-use provisions of s.46 to be applied? I am not persuaded this

presents any difficulty. Once it is appreciated that a registration of a series of trade marks is a registration of a series of different trade marks, each of which is registered under the same number, the non-use provisions can be applied just as they are for any registered trade mark. If some of the trade marks in the series have been used and others not, then it may be that none is susceptible to revocation as a result of the saving conferred by s.46(2) in respect of use of the mark in a form differing in elements which do not alter its distinctive character. If, however, some of the trade marks in the series which have not been used for some reason do not satisfy the s.46(2) test then the registration of those trade marks may be revoked.”

47) My earlier finding at paragraph 44 deals with this point. It means that use of mark 2177779A in respect of both elements has been shown. The list of articles that the mark has been used upon is listed at paragraph 9 which is corroborated by the various exhibits and other witness statements. Thus the mark can remain registered for the following specification:

“Clothing; headgear; articles of knitted clothing, knitwear, jumpers, pullovers, cardigans, sweaters, shirts, sweatshirts, T-shirts, polo shirts, coats, jackets, top coats, overcoats, raincoats, car coats, waistcoats, blousons, articles of clothing for casual wear, shorts, articles of sports clothing, blouses, hats, caps, scarves, gloves, anoraks.”

48) However, no specific use on the following items was provided:

“trousers, slacks, jeans, suits, trouser suits, skirts, dresses, swimwear, nightwear, pyjamas, nightdresses, lingerie, underwear, underskirts, brassieres, hosiery, stockings, socks, tights, ties, bow ties, belts, braces, suspenders.”

49) Therefore, even though these would be covered under the term “clothing” they must be removed from the registration with effect from 25 March 2014.

50) I next turn to consider the issue of use of trade marks 1379187 and 2177779B. The only exhibits which show these marks (CRL 14 and 16) are dated at a time when 1962 was not selling any items of clothing as it had broken its ties with all retail outlets and was

seeking new partners in both manufacturing and distribution. The use on Facebook is dated 2015 (CRL20), outside the relevant period of 25 March 2009 – 24 March 2014, and seems to be more of a commentary on sporting events as no details of items for sale are shown. Therefore, there is no use shown in respect of either of these two marks and both should be revoked with effect from 25 March 2014.

51) I turn to consider whether 1962 has shown proper reasons for non-use of its marks. It is accepted that these must be outside of the control of the proprietor. In *Armin Häupl v Lidl Stiftung & Co. KG*, Case C-246/05, the Court of Justice of the European Union held that:

“52. In particular, as correctly stated by the Advocate General in [79] of his Opinion, it does not suffice that “bureaucratic obstacles”, such as those pleaded in the main proceedings, are beyond the control the trade mark proprietor, since those obstacles must, moreover, have a direct relationship with the mark, so much so that its use depends on the successful completion of the administrative action concerned.

53. It must be pointed out, however, that the obstacle concerned need not necessarily make the use of the trade mark impossible in order to be regarded as having a sufficiently direct relationship with the trade mark, since that may also be the case where it makes its use unreasonable. If an obstacle is such as to jeopardise seriously the appropriate use of the mark, its proprietor cannot reasonably be required to use it nonetheless. Thus, for example, the proprietor of a trade mark cannot reasonably be required to sell its goods in the sales outlets of its competitors. In such cases, it does not appear reasonable to require the proprietor of a trade mark to change its corporate strategy in order to make the use of that mark nonetheless possible.

54. It follows that only obstacles having a sufficiently direct relationship with a trade mark making its use impossible or unreasonable, and which arise independently of the will of the proprietor of that mark, may be described as “proper reasons for non-use” of that mark. It must be assessed on a case-by-case basis whether a change in the strategy of the undertaking to circumvent the obstacle under consideration would make the use of that mark unreasonable. It is the task of the national court or tribunal, before which the dispute in the main proceedings is brought and which

alone is in a position to establish the relevant facts, to apply that assessment in the context of the present action.

55. Having regard to the foregoing considerations, the answer to the second Proper question referred for a preliminary ruling must be that Art.12(1) of the Directive must be interpreted as meaning that obstacles having a direct relationship with a trade mark which make its use impossible or unreasonable and which are independent of the will of the proprietor of that mark constitute “proper reasons for non-use” of the mark. It is for the national court or tribunal to assess the facts in the main proceedings in the light of that guidance.”

52) I also note that in *Naazeen Investments Ltd v OHIM*, Case T-250/13, the General Court held that difficulties in manufacturing a product was not outside the proprietor’s control and therefore did not constitute a proper reason for non-use. The court stated that:

“66. According to the case-law, ‘proper reasons’ refers to circumstances unconnected with the trade mark proprietor rather than to circumstances associated with his commercial difficulties (see, to that effect, judgment of 9 July 2003 in *Laboratorios RTB v OHIM — Giorgio Beverly Hills (GIORGIO AIRE)*, T-156/01, ECR, EU:T:2003:198, paragraph 41). The problems associated with the manufacture of the products of an undertaking form part of the commercial difficulties encountered by that undertaking.

67. In the present case, the marketing of the goods in question was stopped because those goods were defective. Given that it was for Gondwana to supervise and control the manufacture of the goods in question even though they were being manufactured by a third party, the interruption to the marketing of those goods cannot be regarded as independent of the will of Gondwana.

68. Furthermore, the applicant is wrong in claiming that it had no choice but to stop using the mark at issue or to put consumers’ health in danger. As OHIM has observed, further products could have been manufactured and placed on the market within a reasonable period. Therefore, the applicant cannot claim that the change in strategy of the proprietor of the mark at issue made use of that mark unreasonable. The

additional economic investments necessary for the manufacture of further products form, as OHIM states, part of the risks that an undertaking must face.

69. Accordingly, the applicant cannot claim that the Board of Appeal was wrong to take the view that the difficulty encountered by Gondwana concerning the manufacture of the goods in question did not constitute a proper reason for non-use of the mark at issue (paragraph 36 of the contested decision).”

53) The above judgment of the General Court was upheld on further appeal to the CJEU, Case C-252/15 P refers. In the same decision the General Court also held that on-going litigation was not necessarily a proper reason for non-use. The court stated that:

“70. As regards the revocation proceedings brought on 5 December 2008 by a third party against the mark at issue, the applicant complains that the Board of Appeal took the view that the proprietor of the mark at issue ought to have assessed and calculated the risks, that is to say, of using the mark despite the risk of having to pay damages or of backing down and abstaining from using the mark, and consequently, of cancellation proceedings being brought. According to the applicant, while revocation proceedings were pending against the mark and its validity was called in question, it would have been unreasonable to make additional investments, or to carry out marketing or sales activities and negotiations with interested business partners or potential licensees or sub-licensees.

71. It must be pointed out, first, that the fact that revocation proceedings have been brought against a trade mark does not prevent the proprietor of that mark from using it.

72. Second, it is indeed always possible that, should such revocation proceedings lead to the revocation of the mark, an action for damages might be instituted. However, an order to pay damages is not a direct consequence of the revocation proceedings.

73. Furthermore, OHIM states, rightly, that it is for the proprietor of a trade mark to conduct an adequate assessment of its chances of prevailing in the revocation



proceedings and to draw the appropriate conclusions from that assessment as to whether to continue to use its mark.

74. Accordingly, the applicant cannot claim that the Board of Appeal was wrong to take the view that the revocation proceedings brought in 2008 by a third party did not constitute a proper reason for non-use of the mark at issue.”

54) In the instant case 1962 have alleged that the actions of BM have resulted in it being unable to find partners willing to sell its products. They point to the negotiations with a company Chilli Ltd (detailed in paragraph 12 and CRL 24). It is clear that Chilli Ltd declined to stock the goods of 1962 as it was uncertain of the ownership of the trade mark BENTLEY given comments made by BM. They also state that discussions with various other parties also failed due to the actions of BM. I find this surprising given that BM had known about the activities of 1962 for a considerable time, having held discussions with the company and been made aware of its history and use of the marks and therefore effectively acquiescing in the use of the BENTLEY mark by 1962 and its predecessors in business. It was therefore hardly in a position where it could have taken action which should have been clear to 1962 and explained to potential partners, perhaps with a legal opinion backing up this point in order to allay fears. I do not accept that there have been proper reasons for non-use and so the marks will be revoked.

## **CONCLUSION**

55) As the revocation action in respect of 2505233 in respect of clothing and headgear was withdrawn and 1962 accepted that the mark had not been used in respect of footwear the mark will remain on the register in respect of “clothing and headgear” but “Footwear” will be regarded as revoked with an effective date of 9 May 2014.

56) I have found that mark 1180215 has been used within the relevant period for the whole of the specification for which it is registered.

57) I have found that mark 2177779A have been used within the relevant period in respect of the following goods in class 25: “Clothing; headgear; articles of knitted clothing, knitwear, jumpers, pullovers, cardigans, sweaters, shirts, sweatshirts, T-shirts, polo shirts, coats,

jackets, top coats, overcoats, raincoats, car coats, waistcoats, blousons, articles of clothing for casual wear, shorts, articles of sports clothing, blouses, hats, caps, scarves, gloves, anoraks.”

58) However, no use of mark 2177779A was shown in respect of the following goods “trousers, slacks, jeans, suits, trouser suits, skirts, dresses, swimwear, nightwear, pyjamas, nightdresses, lingerie, underwear, underskirts, brassieres, hosiery, stockings, socks, tights, ties, bow ties, belts, braces, suspenders” which must be regarded as revoked with effect from 25 March 2014.

59) No use of trade marks 1379187 and 2177779B was provided and so both marks are revoked with effect from 25 March 2014.

## **COSTS**

60) As both sides have achieved a measure of success I do not propose to favour either side with an award of costs.

**Dated this 3rd day of August 2016**

**George W Salthouse**  
**For the Registrar,**  
**the Comptroller-General**