

O-354-13

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK REGISTRATION 1520898
IN THE NAME OF BICE INTERNATIONAL LTD:**



AND

**AN APPLICATION FOR REVOCATION THEREOF (NO. 84227)
BY BICE AG**

THE BACKGROUND AND THE PLEADINGS

1) Bice International Ltd (“the Registered Proprietor”) is the proprietor of UK trade mark registration 1520898 for the trade mark shown below:



The application for registration was filed on 8 December 1992 and it completed its registration procedure on 26 May 1995. It is registered in respect of:

Class 42: Restaurant, cafeteria and cafe services; catering services; bar services; all included in Class 42.

2) In its application Bice AG (“the Applicant”) seeks revocation of the registration in respect of all of the services for which it is registered. It bases this application on non-use under sections 46(1)(a) and (b) of the Trade Marks Act 1994 (“the Act”). The relevant time periods when the Applicant claims non-use are:

- i) Under section 46(1)(a): 27 May 1995 to 26 May 2000.
- ii) Under section 46(1)(b): 4 August 2004 to 3 August 2009 and 14 November 2006 to 13 November 2011

Revocation is sought under section 46(1)(a) with effect from 27 May 2000 and under section 46(1)(b) with effect from 4 August 2009 or 14 November 2011, depending on the outcome of its claims.

3) The Registered Proprietor filed a counterstatement, stating in respect of all the relevant periods that the mark (“the Registered Proprietor’s mark”) had been used by itself and/or authorised and/or licensed parties or, if use during these periods was not considered genuine use, that it had proper reasons for non-use. Both parties filed evidence. The matter was heard before me on 21 June 2013, Mr Tim Austen, of counsel, instructed by Pitmans SK Sport and Entertainment LLP, representing the Registered Proprietor, and Mr Chris Hall, also of counsel, instructed by Walker Morris LLP, representing the Applicant.

4) At the hearing the Applicant did not pursue its claim under section 46(1)(a) and relied on section 46(1)(b) alone.

THE REGISTERED PROPRIETOR’S EVIDENCE

5) In a witness statement dated 20 June 2012 Mr Roberto Ruggeri states that he is a director of the Registered Proprietor. He says that an application to register the

Registered Proprietor's mark in the UK was filed by BICE Restaurant Licensing BV (Netherlands) on 8 December 1992. The resulting registration and all goodwill, title and interest in and under the registration was assigned to Bryony Properties Ltd (Guernsey) on 12 May 1998 and then to the Registered Proprietor on 18 June 2008. Copies of the relevant assignments are shown in **Exhibit AB2**. Mr Ruggeri says that changes of ownership and reorganisations of the BICE restaurant franchise mean that many records are unavailable or incomplete, most of the information predating the Registered Proprietor's ownership of the mark (from 2008) being from public records and online searches. **Exhibit AB3** shows DA BICE UK Ltd, described by Mr Ruggeri as the licensee in the UK, as having been dissolved in 2003.

6) Mr Ruggeri states that the Registered Proprietor's mark relates to what he describes as the well-known BICE restaurant franchise which operates internationally, having been begun in 1926 by Beatrice Ruggeri (BICE to her family and friends), the business having been extended throughout the world by her sons, Remo and Roberto, and now operating in a franchise model developed through a series of licences and partnerships with third parties. **Exhibit AB4** shows print-outs from the websites of a number of restaurants in various cities worldwide, all featuring the Registered Proprietor's mark.

7) **Exhibit AB5** contains: a copy extract from the UK Trade Marks Registry dated 8 December 1992 showing DA BICE (UK) LIMITED as the registered user of the Registered Proprietor's mark; a copy lease, dated 18 November 1992, showing the lease of basement restaurant premises at 13 Albermarle Street, W1 to Da Bice (UK) Ltd; a licence to the assignment of the lease by Da Bice (UK) Ltd, dated 19 December 2002; a copy rent demand for the quarter's rent due on 29 December 2001; a copy liquor licence from 1993 for "BICE RISTORANTE" at 13 Albermarle Street and Supper Hour Certificate issued in 2002 to "DA BICE RISTORANTE" at 13 Albermarle Street; Directors' Report and Financial Statements for Da Bice (UK) Ltd for years ending 31 December 1998 and 31 December 2001; and a photograph, dated 2002, showing the exterior of the "BICE RESTAURANT ALBERMARLE STREET", the signage clearly consisting of the Registered Proprietor's mark. Mr Ruggeri says he believes the Registered Proprietor's mark was also used on menus and promotional material, such as the restaurant's website, and says that a print-out dated 2004 and included in **Exhibit AB5** is for this website.

8) **Exhibit AB6** consists of a letter of 18 June 2012 "to whom it may concern" from Mr Donald Morrison. Its contents are, however, repeated in a witness statement of 21 June 2012 from Mr Morrison. He states the following: Since April 2009 he has been the Director of Donald Morrison Consultancy Limited, prior to that having held senior roles within Hilton Worldwide. In his capacity as Vice President Food and Beverage for Europe, Middle East and Africa for Hilton Worldwide he invited Mr Ruggeri, a representative for the Bice restaurant group currently owned by the Registered Proprietor, to London in early 2001 "with a view to looking at potential opportunities for Bice and Hilton", the subject having been discussed for a considerable period, over five years, before this meeting was arranged. Mr Ruggeri was invited to submit proposals for designated space at the Hilton Trafalgar and visit the Hilton Green Park to assess the possibility of converting the existing restaurant to a Bice style concept. The reaction of Hilton executives to his ideas for these hotels was extremely positive, and he was invited to visit the "flagship" London Hilton

on Park Lane and assess existing restaurant space. He was then tasked with developing a plan which would see a Bice restaurant introduced in this hotel. On 5 September 2001 Mr Ruggeri made a presentation to Mr Morrison, the hotel general manager and other key members of the executive team. The overall view was that Mr Ruggeri had fully taken on board the brief he was given and the Bice concept as presented would definitely be complementary to the hotel's offering. The benefits of being associated with the Bice brand were also recognised, "having seen the success of our partnership in Dubai". Shortly after, the 9/11 disaster took place in New York, resulting in a major drop in business in hotels around the world. Mr Morrison says the knock-on effect was major cost-cutting by hotels, and cancellation of capital expenditure projects. It was for this reason, he says, that the planned Bice restaurants did not materialise. Mr Morrison says that, on the basis of his experience, he believes deals of this nature in the restaurant industry can take many years to develop, particularly given the premium nature of the BICE brand. He adds that he has also experienced negotiations between licensors and potential licensees taking many years. **Exhibit AB7** consists of undated detailed layout and furniture plans which Mr Ruggeri says were developed in 2001, and copies of the business cards of the Hilton executives who worked on the project. Some of the layout and furniture plans are marked "BICE HILTON PARK LANE" and clearly bear the Registered Proprietor's mark.

9) **Exhibit AB8** (which was incomplete as filed, the missing part being supplied subsequently in Exhibit **RR1** to Mr Ruggeri's second witness statement of 27 February 2013) is an extract from a report of the London Chamber of Commerce and Industry describing the damage done to the UK economy by the 9/11 attack. It states: "Actual growth for 2002 reached just over 1.6% in 2002 according to the Office for National Statistics, the weakest economic growth for more than a decade. More worrying still for London business, the ONS highlighted the hotel and restaurant sector as contributing to the gloomy situation in 2002".

10) Mr Ruggeri states that the Registered Proprietor has been approached on a number of occasions since 2008 to enter into local partnerships and licences in the UK to reopen a Bice restaurant (which, he says, would naturally use the BICE logo as used since at least 1992), and he is aware of approaches taking place between 2004 and 2009. However, he says, since at least 2008 the Applicant has taken steps to attack the Registered Proprietor's rights. **Exhibit AB9** lists the present invalidity proceedings plus five oppositions pursued by the Applicant against marks of the Registered Proprietor, three of which are in the UK. According to Mr Ruggeri, the Registered Proprietor believes the uncertainty resulting from this has adversely affected its conversations with local partners in the UK and elsewhere. He says the Registered Proprietor was contacted by the Applicant to discuss the sale of its Bice marks to the Registered Proprietor prior to March 2009, that these discussions did not progress and resulted in the Applicant taking a more aggressive approach to frustrate the Registered Proprietor's activities in using the Registered Proprietor's mark and make the acquisition of the Applicant's marks more attractive to the Registered Proprietor.

11) Mr Ruggeri states that, "after extensive negotiations and some extensive reassurance", the Registered Proprietor entered into a licence agreement with a local partner in the UK with a commencement date of 1 February 2012 for a term of

ten years. **Exhibit AB10** contains three pages, the last of which is numbered 23, from a document dated 30 January 2012 and headed "MASTER LICENSE AGREEMENT between BICE INTERNATIONAL LIMITED Licensor and PORTLAND INTERNATIONAL LTD Master Licensor", plus a page headed "SCHEDULE A", which reads: "This License Agreement relates to one (1) Restaurant operating under the following service mark: "**Bice Ristorante 1926**". Portland International Ltd, which at the signature of the document is termed "licensee", is described as a company organised and existing under the laws of the Republic of Seychelles, and the address given for it is a PO box number in the United Arab Emirates. The specific rights granted to the licensee are not shown and the text provided contains no reference to the UK. However, an email exchange between Mr Ruggeri and persons via the address 'portlandinternational.net from May 2011, supplied subsequently as **Exhibit RR2** to Mr Ruggeri's second witness statement of 27 February 2013, shows interest in concluding a licensing agreement for the UK and agreement that Mr Ruggeri will send "the Master Agreement for the UK". **Exhibit AB10** also contains case details downloaded from the IPO website on 20 June 2012 for trade marks 2588738 (BICE MARE), 2588739 (BISTRO MILANO BY BICE) and 2588740(BICE).

12) Ms Sally Britton, a partner in the firm representing the Registered Proprietor, filed a witness statement of 7 January 2013 attaching: as **Exhibit SB1**, a document in German, without an English translation, which she states is an agreement between bice [sic] Marketing GmbH and the Applicant for the transfer of Community trade mark nos. 5126693 and 3960432, dated 24 March 2009; and as **Exhibit SB2**, trade mark detail print-outs from the IPO's website, showing 22 February 2012 as the date of filing of all three oppositions by the Applicant against trade mark application nos. 2588738, 2588739 and 2588740 respectively.

THE APPLICANT'S EVIDENCE

13) A witness statement dated 7 November 2012 of Ms Katherine Cullen, a trade mark attorney in the employ of the Applicant's representatives, attaches as **Exhibit KC1** an extract from Companies House, listing the directors of DA Bice (UK) Limited, and showing Mr Roberto Ruggeri as a director.

14) In a witness statement dated 19 October 2012 Mr Dirk Pauli states that he is a German lawyer in a law firm which centrally co-ordinates and manages the legal protection of the Applicant's trade marks. He attaches as **Exhibit DP1** copies of the registrations of community trade marks 3960432, filed on the 5 August 2004 for the stylised mark **bice**, and 5126693, filed on 9 June 2006 for the word mark **bice**, both showing the Applicant as proprietor. He continues as follows: CTM 3960432 was registered on 16 November 2005 without opposition. The legal predecessor of the Registered Proprietor, Sigla SA, lodged opposition proceedings against CTM 5126693 on 5 March 2007. The opposition was rejected on 3 December 2010 and the Registered Proprietor, having now acquired the trade mark rights of Sigla SA, lodged invalidity proceedings on 20 October 2011. These proceedings are still pending. On 19 August 2009 the Registered Proprietor lodged invalidity proceedings against CTM 3960432. On 6 May 2011 OHIM rejected the application for a declaration of invalidity. The Registered Proprietor filed an appeal which is still pending. Confirmation of the dates of all the above proceedings is attached in

Exhibit DP1 in the form of extracts from OHIM's CTM-ONLINE showing details for the registrations.

15) Mr Pauli continues: On 13 May 2008 the legal predecessor of the Registered Proprietor filed CTM application 6904262 for the mark BICE. In view of the above-mentioned proceedings lodged by the Registered Proprietor against the Applicant's CTM registrations, as a defensive mechanism, the Applicant lodged opposition proceedings on 30 January 2009. Confirmation of the dates is attached in **Exhibit DP2** in the form of extracts from OHIM's CTM-ONLINE showing details for the registration.

16) Mr Pauli concludes that it is factually inaccurate to suggest that the Applicant has sought to attack the Registered Proprietor's mark without putting the disputes between the parties in context. He also relates that settlement discussions took place between the Applicant's representatives and those of Sigla SA.

17) Mr Pauli says Mr Ruggeri's witness statement is also factually incorrect in that it refers to opposition proceedings lodged by the Applicant against the Proprietor's rights. However, German registration no. 30714059 is registered in the name of Australasia Licensing Inc of New York (a relevant extract of register information from the German Patent and Trade Mark Office is attached as **Exhibit DP4**) and Mr Pauli says the Registered Proprietor has not previously advised the Applicant that it has any legal connection with the owner of this registration. (Paragraph 8 of the Registered Proprietor's submissions of 8 January 2013 reads: "...we refer to paragraph 5 of RR WS2, which confirms the relationship between Australasia Licensing Inc and the Proprietor". However, paragraph 5 of RR WS2 reads: "[BLANK]").

LEGISLATION AND CASE-LAW

18) The relevant parts of section 46 of the Act read:

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

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

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

(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 either 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.”

19) Section 100 is also relevant; it 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.”

20) In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch) Arnold J commented on the case law of the Court of Justice of the European Union (CJEU) in relation to genuine use of a trade mark:

“In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH*

[2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237):

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

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(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, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) 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].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no *de minimis* rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating 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: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]"

21) When considering whether proper reasons for non-use have been shown, I bear in mind in particular the decision of the CJEU in *Haupt v Lidl, Stiftung Co KG* (Case C 246/05) [2007] ETMR 61 ("*Haupt*"):

“49 Thus, under Art.19(1) of the TRIPS Agreement , circumstances arising independently of the will of the owner of the trade mark which constitute an obstacle to the use of the trade mark are to be recognised as valid reasons for non-use.

50 It is therefore necessary to determine what kind of circumstances constitute an obstacle to the use of the trade mark within the meaning of that provision. Although, quite often, circumstances arising independently of the will of the owner of the trade mark will at some time hinder the preparations for the use of that mark, the difficulties in question are difficulties which can be overcome in a good many cases.

51 In that respect, it should be noted that the eighth recital in the preamble to the Directive states that:

[I]n order to reduce the total number of trade marks registered ... in the Community ... it is essential to require that registered trade marks must actually be used or, if not used, be subject to revocation.

It appears in the light of that recital that it would be contrary to the scheme of Art.12(1) of the Directive to confer too broad a scope on the concept of proper reasons for non-use of a mark. Achievement of the objective set out in that recital would be jeopardised if any obstacle, however minimal yet nonetheless arising independently of the will of the owner of the trade mark, were sufficient to justify its non-use.

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 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”.

HAS THERE BEEN GENUINE USE OF THE MARK?

22) The evidence shows no restaurant being operated in the UK under the Registered Proprietor’s mark between 4th August 2004 and 13th November 2011 – in other words, during either of the periods for which the Applicant claims under section 46(1)(b) that the mark was not used. Mr Austen submitted that this did not mean that there was no genuine use of the mark during that period. Taking me through relevant passages of Mr Ruggeri’s witness statement and related exhibits, he said that the Registered Proprietor’s business, as disclosed in the evidence, is not that of a restaurateur operating restaurants; its business consists rather of the licensing of its “high end” marks to licensees, who then operate restaurants under these marks in various countries across the world. In his first witness statement (at paragraph 13), Mr Ruggeri states that since 2000 the Registered Proprietor and its predecessors have taken various steps to seek to reopen a Bice restaurant in London, and that the Registered Proprietor has been approached on a number of occasions, at least since 2008, to enter into local partnerships and licences in the UK to reopen a Bice restaurant.

23) What we can take from **Exhibit AB10** to Mr Ruggeri’s first witness statement and **Exhibit RR2** to Mr Ruggeri’s second witness statement, Mr Austen said, is that there were negotiations for a restaurant in the UK, that in May 2011 an offer was made, and that it appears that it was accepted, because of the conclusion of the master agreement a few months later in January 2012. In Mr Austen’s submission, the marketing of such licences to licensees is sufficient to constitute genuine use of the mark for the purposes of section 46. He relied on *La Mer* (paragraph 48) as authority for the proposition that there is no need for the mark to be communicated to the eventual consumers. He submitted that the position of a licensee licensed to operate a restaurant under the mark in suit is analogous to that of the wholesaler in *La Mer*. In this case, he said, it is the licensee who is relying on the mark as a badge of origin; what is being franchised is the BICE brand which, he said, is a very well-known set of restaurants among a certain crowd.

24) I cannot agree with the analogy drawn between a licensee of the Registered Proprietor and the wholesaler in *La Mer*. The mark in that case had been used on the wholesale market for the relevant goods. *Ansul* (at paragraph 37) requires use to be by way of real commercial exploitation *on the market for the relevant goods or services* [the italics are mine]. The same passage in *Ansul* gives an example that

meets this criterion, namely, preparations to put goods or services on the market, such as advertising campaigns. The services for which the Registered Proprietor's mark is registered are: *restaurant, cafeteria and cafe services; catering services; bar services*. It is on the market for *these* services that genuine use must be shown. No services of this kind were provided under the mark in the UK, nor have any preparations involving use of the mark on *this* market been shown in the UK, between 4 August 2004 and 13 November 2011 – in other words, during either of the periods for which the Applicant claims under section 46(1)(b) that the mark was not used.

25) Accordingly, I conclude that there was no genuine use of the mark in suit during either of the periods relied on by the Applicant under section 46(1)(b).

WERE THERE PROPER REASONS FOR NON-USE?

Inability to find the right location or the right partner

26) In its counterstatement the Registered Proprietor gives being unable to find the right location or the right partner as a proper reason for non-use of the mark in suit in both the period from 4 August 2004 to 3 August 2009 and the period from 14 November 2006 to 13 November 2011.

Although pleaded, this reason was not pursued at the hearing. In my view the claim is a weak one. The plain facts claimed do not indicate the existence in either period of obstacles independent of the will of the Registered Proprietor, making the use of the mark impossible or unreasonable. Rather, they point to the Registered Proprietor's own corporate strategy as being the cause of non-use of the mark. This is not a proper reason for non-use (see paragraphs 53 and 54 of *Haupt*).

The events of 9/11

26) With regard to reasons for non-use of the Registered Proprietor's mark in the period from 4 August 2004 to 3 August 2009 it was submitted that the events of "9/11" in New York in 2001 had an unprecedented and catastrophic impact on the restaurant business in the UK, and that these events, and their aftermath, constituted proper reasons for non-use of the trade mark.

27) I accept that the evidence of Mr Ruggeri and Mr Morrison shows that by September 2001 Mr Ruggeri had reached an advanced stage in the planning of a new London restaurant at the Hilton Hotel, to be operated under the Registered Proprietor's mark. I note the London Chamber of Commerce's report on the effect of "9/11" on the UK economy, and the Office for National Statistics's assessment of the hotel and restaurant sector's contribution to the "gloomy situation" in 2002. Mr Morrison's assessment that it was the immediate aftermath of the 9/11 events which led to the shelving of the plans for the new BICE restaurant at the London Hilton seems reasonable to me.

28) However, the start of the period under discussion is in August 2004, by which time almost three years had elapsed since the events of 9/11, and there is no evidence that they were continuing to have an impact at that time, let alone an

impact that prevented the Registered Proprietor from using the mark in this period. As Mr Hall pointed out, at paragraph 10(iii) of Mr Ruggeri's first witness statement, Mr Ruggeri refers to the authorisation in December 2002 of the assignment of the premises at 13 Albermarle Street to a company which opened its own restaurant on the premises. Moreover, I have already referred in paragraph 27 to Mr Ruggeri's reference to approaches being received from 2004 from third parties wishing to take a licence of the mark in suit. None of this indicates that the events of 9/11 made the use of the mark impossible or unreasonable during the period from 4 August 2004 to 3 August 2009. The Registered Proprietor did not explicitly plead the events of 9/11 as a proper reason for non-use in the period from 14 November 2006 to 13 November 2011, nor was this argued at the hearing – in my view, rightly so, as the claim would have been even weaker.

Challenges to the Registered Proprietor's marks

29) The Registered Proprietor pleaded "conduct of the Applicant" as a proper reason for non-use of the mark in suit in relation to both periods pleaded under section 46(1)(b), i.e from 4 August 2004 to 3 August 2009 and from 14 November 2006 to 13 November 2011. At the hearing it was submitted that since early 2009 oppositions and challenges to its trade marks by the Applicant frustrated the Registered Proprietor's attempts to license the mark. I think that at the hearing both sides agreed with me that it is difficult to draw firm conclusions from the evidence as it stands as to which side took the initiative in "the IP war" between the parties; neither side wished to focus on "who started it". A key point is that on 30 January 2009 an opposition was filed against the Registered Proprietor's community trade mark for the word mark BICE. Mr Austen suggested that a German document in **Exhibit SB1** to Ms Sally Britton's witness statement may show that the mark was assigned to the Applicant in March 2013. However, the document is untranslated. The relevant excerpt from OHIM's online database shows the Applicant as the opponent in those proceedings. In any event, it is clear that the Applicant has opposed the Registered Proprietor's word mark BICE since early 2009.

30) Mr Austen drew my attention to the following passage in the hearing officer's decision in *Worth Trade Marks* ("*Worth*") [1998] R.P.C. 875:

"[Mr Massin] states that he made efforts to appoint licensees to use the trade marks in question, but the fact that the registrations were under continuous threat from 1993 made it impossible for him to secure a satisfactory licensing arrangement. In Mr Massin's words, "no licensee in their right mind would commit themselves to the substantial investment required in terms of both time and money in the manufacture of branded articles of clothing if there was doubt as to the ability of that licensee to use the mark without fear of third party attack."

However, Mr Hall also drew my attention to the following passage from *Worth*:

"Mr Massin also states that he was informed of the assistant registrar's decision on the earlier proceedings by a letter from his trade mark attorney which he received on August 13, 1996. Thus, *Worth BV* in filing these applications to revoke on September 2, 1996, in effect, allowed him just over

two weeks during which the registrations were not under attack or threat of attack, to find a licensee, complete all the necessary negotiations with the licensee and put the marks into use in the United Kingdom. This, he states, was simply not possible in the timescale. He believes that Worth BV, in filing Revocation Nos. 9160/1 so soon after receiving an unfavourable decision in their attempt to rectify the register are acting cynically and attempting to harass him into relinquishing valuable trade mark rights in the United Kingdom. Mr Massin confirms that it is still his intention to appoint licensees to use the trade marks in suit in the United Kingdom and claims that in the circumstances he describes there are proper reasons for non-use of the trade marks in question in the relevant period”.

33) In *INoTheScore* O-276-09 Mr Iain Purvis QC, sitting as the Appointed Person, said:

“31. However, I believe it is important to remember that there are two issues here. It is not enough for the trade mark proprietor to show that the event or situation on which he relies as the reason for non-use is one of those reasons which would be regarded in law as a “proper” excuse for not using a trade mark. He must also prove as a question of fact that it was the “reason” why the mark was not used. Put another way, as the Appointed Person, Geoffrey Hobbs QC expressed it in *Cernivet Trade Mark* [2002] RPC 30 at 51:

“...it seems to be necessary, when considering whether there were proper reasons for non-use, for the tribunal to be satisfied that in the absence of the suggested impediments to use there could and would have been genuine use of the relevant trade mark during the relevant five-year period. The impediments in question will otherwise have been inoperative and I do not see how inoperative impediments can rightly be taken into account when determining whether there really were “proper reasons” for non-use....”

32. I therefore consider that before considering whether the alleged reasons were “proper”, the tribunal must first be satisfied on the balance of probabilities that, in the absence of the situation or event which is relied on, there would in fact have been genuine use of the Trade Mark by the trade mark owner or with his consent within the relevant 5 year period.”

In view of the above, even before considering whether the reason put forward constitutes a proper reason for non-use, I must be satisfied that, had it not been for the events described, the mark would have been genuinely used in the relevant periods. Mr Ruggeri expresses his belief that the uncertainty resulting from the events described adversely affected the registered proprietor’s conversations with local partners in the UK and elsewhere. However, there is no real evidence as to the nature of these “conversations”, what level they reached, and, crucially, whether it was the events described that put paid to the conversations and prevented them from resulting in use. There is nothing to show that, had the events not occurred, then the mark would have been used by one of these partners referred to.

31) I could leave matters there; however, there is further support for my view. Mr Hall made the point that it was not until November 2011 that the Applicant gave notice of its intention to attack the Registered Proprietor's mark in suit in these proceedings, although the Registered Proprietor's word mark BICE was opposed from early 2009. Nevertheless, the evidence is that potential licensees were still interested, even after January 2009, in taking a licence of the Registered Proprietor's mark. It would appear from **Exhibit RR2** that in May 2011 a group from Saudi were interested in taking a licence, and from **Exhibit AB10** that Portland International Ltd did indeed take such a licence. There is evidence, therefore, that the Applicant's challenges to the Registered Proprietor's marks did not make the licensing of the mark in suit impossible or unreasonable and that, consequently, this weakens any argument that the mark would have been used absent the reasons given.

32) It should also be observed that prior to the launching of proceedings against the Registered Proprietor's word mark BICE in January 2009 there were still almost four and a half continuous years during the five-year period from August 2004 to August 2009, and over two continuous years during the five-year period from November 2006 to November 2011, when the mark was not used and the reasons put forward were not operative. This contrasts with the period of "just over two weeks during which the registrations were not under attack or threat of attack" in *Worth*.

On the evidence presented in this case I am not satisfied that that the Registered Proprietor has shown that, in the absence of the challenges to the Registered Proprietor's marks mounted by the Applicant from early 2009, there would in fact have been genuine use of the mark in suit either in the period from 4 August 2004 to 3 August 2009 or in the period from 14 November 2006 to 13 November 2011.

34) Accordingly, I conclude that there are no proper reasons for non-use of the mark in suit during either of the periods relied on by the Applicant under section 46(1)(b).

CONCLUSION

35) At the hearing the Applicant gave notice that it did not pursue its claim under section 46(1)(a) and relied on section 46(1)(b) alone. I have found no genuine use of the mark in suit, and no proper reasons for its non-use, during either of the periods in respect of which the Applicant sought revocation under section 46(1)(b). **Accordingly, the application for revocation succeeds in its entirety. Bice International Limited's registration is hereby revoked with effect from 4 August 2009.**

COSTS

36) Bice AG has been successful and is entitled to a contribution towards its costs. I hereby order Bice International Ltd to pay Bice AG the sum of £2,550. This sum is calculated as follows:

Preparing a statement and considering the other side's statement £400

Considering and commenting on the other side's evidence – £1,200

Preparing for and attending a hearing – £750

Application fee £200

37) The above sum should be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 3rd day of September 2013

**Martin Boyle
For the Registrar,
The Comptroller-General**