TRADE MARKS ACT 1938 (AS AMENDED) AND
TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No 1550718
BY BANQUE AUDI (SUISSE) S.A.
TO REGISTER THE MARK AUDI
IN CLASS 36

AND

IN THE MATTER OF OPPOSITION THERETO UNDER No 45967
BY AUDI AG

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IN THE MATTER OF Application No 1550718
by Banque Audi (Suisse) S.A.
To register the Mark AUDI
in Class 36

and

IN THE MATTER OF Opposition thereto under No 45967
by Audi AG

DECISION

1. On 16 October 1993 Banque Audi (Suisse) SA applied to register the mark AUDI in Class 36 for a specification of services which reads "Banking services; mortgage lending; provision of deposit and loan accounts; securities dealing; issuing of credit cards and cheques; all included in Class 36."

2. The application is numbered 1550718.

3. On 27 November 1996 Audi AG filed notice of opposition to this application. It appears from the papers on file that the grounds of opposition originally referred to the 1994 Act and Section 5 thereof but were subsequently amended to grounds based on Sections 11 and 12 of the 1938 Act (having regard no doubt to paragraph 10 of Schedule 3 (Transitional Provisions) to the Trade Marks Act 1994. Somewhat confusingly whilst reference to the 1938 Act and Sections 11 and 12 thereof have been properly introduced the supporting narrative retains wording which is drawn from Section 5 of the 1994 Act. It is nevertheless tolerably clear that the opposition is based upon a number of registrations in the ownership of the opponents and use of their mark AUDI. I will proceed on that basis. Some six registrations are referred to. Four of these are in to Classes 12 and 37 and relate to motor vehicles and associated repair etc. services. The most relevant registrations for present purposes appear to be the following:

No.	Mark	Class	Specification
1316975	AUDI	36	Insurance services; provision of finance for the hire and for the purchase of vehicles; all included in Class 36.
1503185	AUDI	36	Credit services, credit agency, credit brokerage, credit card services, credit bureau services, provision of finance for credit sales, lease-purchase financing,

leasing services; information and advisory services, all relating to the aforesaid; all included in Class 36.

4. I should add that the application under attack proceeded to publication in the Trade Marks Journal on the basis of evidence filed to establish honest concurrent use with the above registrations.

5. In addition to the objections based on Sections 11 and 12 of the Act the opponents ask that the application be refused in the exercise of the Registrar's discretion.

6. The applicants filed a counterstatement denying the above grounds.

7. Both sides ask for an award of costs in their favour. Both sides filed evidence. The matter came to be heard on 21 August 2001 when the opponents were represented by Mr D C Harrison of Mewburn Ellis and the applicants by Mr J Mellor of Counsel instructed by Barker Brettell.

8. By the time this matter came to be heard, the old Act had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. These proceedings having begun under the provisions of the Trade Marks Act 1938 however, they must continue to be dealt with under that Act in accordance with the transitional provisions set out at Schedule 3 of the 1994 Act. Accordingly, all references in this decision are references to the provisions of the old law, unless otherwise indicated.

Opponents' Evidence

9. The opponents have filed evidence in these proceedings as follows:

Klaus Bernd le Vrang	-	declaration dated 16 February 1998
Ian Smith	-	statutory declaration dated 13 January 1998
David Richard Lascelles	-	statutory declaration dated 16 February 1998
Duncan Mee	-	statutory declaration dated 12 May 2000
Mathew Naylor	-	statutory declaration dated 20 July 2000

10. I do not propose to offer a full summary of this evidence but will draw on it as necessary in dealing with the issues before me. Briefly Mr le Vrang is a Director of Audi AG and gives evidence as to the history of the company. It is a well known car manufacturer with a substantial trade in the UK both in cars themselves and associated services. The company has for many years arranged financial services for its customers. Hire purchase services have been available since as early as 1974 and the range of financial services has increased over the years to include, for instance, credit card services. Evidence is provided as to the increasing cross-over between the motoring trade and the provision of financial services. Mr Lascelles, who is a director of The Centre for the Study of Financial Innovation, also gives evidence on the trend for organisations such as retailers, petrol companies, motor companies etc. to offer financial services.

11. Mr Smith and Mr Mee are enquiry agents with The Duncan Mee and IPI Partnership - They give evidence as to their enquiries into Banque Audi (Suisse) S.A.'s activities in the UK and the regulatory regime that needs to be complied with by companies operating in the financial services field. Mr Naylor, who is an assistant at the opponents' firm of trade mark attorneys, also gives evidence as to enquiries made with the Financial Services Authority regarding Banque Audi activities in the UK.

Applicants' Evidence

12. The applicants have filed evidence as follows:

> Dr Joe Debbané - affidavits of 10 February 2000 and 21 November 2000
> Richard Nigel Harley Callaghan - statutory declaration of 17 February 2000.

13. The main evidence relied on is material filed during the course of the prosecution of the application before the Registry (and adopted into the opposition proceedings). It will be convenient to record the most relevant parts of this evidence as given by Dr Debbané

> "Banque Audi (Suisse) SA has, globally, the same major shareholders, as the following banks:
>
> - Banque Audi SAL - Beirut Lebanon
> - Banque Audi (France) SA
> - Banque Audi (Luxembourg) SA
> - Bank Audi (California)
> - Bank Audi USA.
>
> and, as such, is authorised, has used the mark "Audi" in the Banking Field since 1981, and has been charged to register the trademark in all the necessary countries.
>
> The preceding banks will be referred to hereafter by *"the Group"*.
>
> This is why, Banque Audi (Suisse) SA, and myself, feel concerned to defend the mark "Audi" in the banking field.
>
> *"The Group"*, first adopted the Mark Audi in the UK at least as early as 1962, and it has been used continuously since the date of adoption in relation to inter-alia: Insurance, Financial Affairs, Monetary Affairs; Real estate Affairs,(hereinafter referred to as *"the services"*);
>
> There is now produced and shown to me marked "Exhibit A" a selection of copies of letter and other correspondence referring to the nature of *"the services"* in relation to which the mark has been used over the years in the UK.
>
> The following approximate figures are the total of Banque Audi (Suisse) deposits with English Banks as at the dates shown:

Date	£ Mios		Date	£ Mios		Date	£ Mios		Date	£ Mios
June 94	43,92		Dec 93	69,83		Dec 91	80,26		Dec 89	84,29
March 94	50,10		Sept 93	60,40		Sept 91	105,62		Sept 89	111,56
			June 93	70,51		June 91	115,75		June 89	120,85
			March 93	89,10		March 91	90,79		March 89	111,52
			Dec 92	56,75		Dec 90	92,68		Dec 88	110,68
			Sept 92	83,54		Sept 90	103,05		Sept 88	104,30
			June 92	79,09		June 90	88,28		June 88	113,21
			March 92	87,10		March 90	118,17		March 88	94,08

Because of the specialised nature of *"the Group"* business, our reputation is established by word of mouth; therefore, we do not have an advertising budget per se."

14. The above is taken from a copy of an affidavit filed by Dr Debbané and dated 25 October 1994. He subsequently supplements this information in an affidavit dated 2 November 1995as follows:

"Further to my preceding affidavit dated October 25, 1994, which focussed essentially on the inter-banking services, I would also like to point some of the services that our *"group"* provide to a worldwide clientele, some of which is residing in the United Kingdom, and some of which is travelling from time to time to the United Kingdom. We are prohibited by law to disclose any specific client information, but I can confirm the following figures concerning our activities related to the United Kingdom:

a Mortgage loans on properties in the United Kingdom
In this field, we have been actively granting mortgage loans for many years, some mortgages being still registered in our name, and some others being created at this time.
The amounts of the mortgages registered in the name of Bank Audi is in the range of £ 10 Millions.

b Customer deposits
Our total clients deposit base is around USD 2 Billions, with customers from all around the world.
From these deposits, more than £ 37 millions are related to the UK.

c Customer loans
Our Total loans to clients related to the UK is in excess of £ 35 Millions.

d Personal Checkbooks
We provide, for our clientele, personal checkbooks, and eurocheques, bearing our brand name, and as such, our name is circulated in all the countries.

e Credit Cards

In addition to being recognised by the major credit cards systems, and providing to our clients the standard credit cards, we also provide to clients Visa Cards bearing the name and the logo of our French bank, American Express Cards bearing the name of our U.S. bank, and Master Cards bearing the name of our Beirut based bank.

There are more than one thousand credit cards circulating with our name on it.

f Securities dealing

In the normal course of our portfolio management activities, we are involved in securities dealing with most of the major securities brokers in the world, and especially in London.

Following is a list of bank & brokers in London, with whom we are actively dealing."

15. In his first affidavit sworn specifically for the purposes of the opposition proceedings (as opposed to being adopted from the application stage) Mr Debbané updates his company's trading activities over the 'past 5 years'. However as the affidavit is dated 10 February 2000 all of this material appears to be after the relevant date including the description of the launch of a "London Desk" in March 1995 (which in turn attracted evidence from the opponents). For the same reason I do not need to record the information contained in Mr Debbané's affidavit of 21 November 2000 which deals in greater detail with the 'London desk' and the opponents' investigator's report thereon.

16. I now turn to the grounds of opposition.

17. Although issues were raised in the opponents' skeleton argument which suggested that rather greater reliance was being placed on the matter of refusal in the exercise of the Registrar's discretion it seems to me that the principal objections are those under Sections 11 and 12 of the Act. These Sections read as follows:

> "11. It shall not be lawful to register as a service mark or part of a service mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice, or would be contrary to law or morality, or any scandalous design.
>
> **12.**-(1) Subject to the provisions of subsection (2) of this section, no *service* mark shall be registered in respect of any services or description of services that is identical with or nearly resembles a mark belonging to a different proprietor and already on the register in respect of the same services, the same description of services, or goods or description of goods which are associated with those services or services of that description.

18. The reference in Section 12(1) to a near resemblance is clarified by Section 68(2B) of the Act which states that references in the Act to a near resemblance of marks are references to a resemblance so near as to be likely to deceive or cause confusion.

19. The established tests for objections under these provisions are set down in Smith Hayden and Company Ltd's application (Volume 1946 RPC 101) later adapted, in the case of Section 11 by Lord Upjohn in the BALI trade mark case 1969 RPC 496. Adapted to the matter in hand, these tests may be expressed as follows:-

> **(Under Section 11)** Having regard to the user of the opponents' mark AUDI, is the tribunal satisfied that the mark applied for AUDI if used in a normal and fair manner in connection with any services covered by the registration proposed will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?
>
> **(Under Section 12)** Assuming user by the opponents of their mark AUDI in a normal and fair manner for any of the services covered by the registrations of that mark, is the tribunal satisfied that there will be no reasonable likelihood of deception amongst a substantial number of persons if the applicants use their mark normally and fairly in respect of any services covered by their proposed registration?"

20. Both sides devoted some time at the hearing to a critical analysis of the other side's evidence particularly in terms of what had been established at the relevant date of 16 October 1993. I will consider this evidence to the extent necessary in what follows. I will simply say at this point that the opponents have two relevant registrations and their use by the material date is in my view largely, if not exclusively, within the scope of those registrations. It follows from this that their position can be no stronger, or certainly not materially stronger, under Section 11 than under Section 12. For that reason I will take the Section 12 objection first as it offers the opponents' their widest avenue of attack.

21. It was common ground that the opponents' registrations (Nos. 1316975 and 1503185) set out at the start of this decision offer them the best change of success. Submissions at the hearing concentrated on these registrations. I should just say at this point that there was a suggestion that the applicants had not specifically sought to distinguish the parties' services in their counterstatement. Equally there was no admission regarding the services and a blanket denial of the opponents' own somewhat general claim. As the marks themselves are identical the matter turns critically on the services. The test is a notional one and I must consider normal and fair use across the full breadth of the specifications concerned.

22. It will be noted that No. 1316975 covers insurance services at large and the provision of finance but in the latter case the specification is restricted to "for the hire and for the purchase of vehicles". The services of No. 1503185 are not restricted in the sense of being provided for any specified purpose or for any particular field of trade.

23. The applicants' specification is set out at the start of this decision.

24. Kerly's Law of Trade Marks (Twelfth Edition) gives the following guidance:

> "The test whether or not goods or services are "of the same description" would seem to be supplied by the question - Are the two sets so commonly dealt in by the same trader that his customers, knowing his mark in connection with one set and seeing it used in relation to the other, would be likely to suppose that it was so used also to

indicate that they were his? The matter should be looked at from a business and commercial point of view."

25. Kerly's goes on to refer to the often quoted guidance from Jellinek (1946) 63 RPC 59 that in determining whether goods are 'of the same description' regard should be had to the nature and uses of the articles and their channels of trade. Suitably adapted that test is also helpful in relation to services. In Avnet Incorporated v Isoact Limited, 1998 FSR 16, Jacob J said:

> "..... definitions of services, are inherently less precise than specifications of goods. The latter can be, and generally are, rather precise, such as "boots and shoes".
>
> In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase."

26. Those remarks were made in the context of an application for summary judgment in an infringement action under the 1994 Act but I see no reason why they should not be taken as providing guidance of more general application as definitions of services did not change with the coming into force of the 1994 Act.

27. It will be convenient (and necessary) to consider each of the items in the applicants' specification in turn having regard to the above test and guidance and the submissions at the hearing.

(i) 'banking services' - Collins English Dictionary defines a bank as "an institution offering certain financial services such as the safekeeping of money, conversion of domestic into and from foreign currencies, lending of money at interest, and acceptance of bills of exchange." That accords with my own view of the services that are at the heart of a banking operation. Mr Mellor acknowledged, I think, that the broad term 'banking services' would embrace credit services, credit card services and other such services in the specification of No. 1503185. The provision of finance can take a variety of forms (overdrafts, loans, credit facilities etc). Such services go to the very heart of what a bank does. I therefore regard banking services to be either the same, or of the same description, as the opponents' services. In the event that I should so find Mr Mellor suggested that the difficulty could be overcome by restricting or defining the applicants' services so as to reflect more precisely the nature of their trade. Specifically he suggested 'commercial banking services' or 'inter bank dealing'. In my view such an attempt to segment banking activities is of marginal assistance only. It may serve to differentiate between services provided to other banks and those provided to personal or business customers (though 'commercial banking' does not even do this) but it does not deal with the position that the opponents' services too could be the subject of inter-bank dealings.

(ii) 'mortgage lending' - it is suggested on behalf of the applicants that this is not in conflict with the opponents' services. A mortgage is usually taken to be a means of funding the purchase of property. To that extent it is a means of raising money in much the same way that taking a loan or being given credit is a means of raising money.

Nevertheless without stretching the natural meaning of words unduly I do not think that mortgage lending would normally be described as a credit service. On the contrary they would generally be regarded as distinct and different services. However the opponents' specification also contains "lease-purchase financing". I understand that to mean that the underlying asset is leased but that the lessee has an option to purchase it under certain conditions. It is a form of finance that is, I believe used in the commercial property field as well as the vehicle field and can be seen as an alternative to financing the purchase of property by means of a mortgage. I regard mortgage lending and lease-purchase financing to be of the same description.

(iii) 'provision of deposit and loan accounts' - Mr Mellor suggested that a distinction could be drawn between deposits and loans. The latter can be regarded as a form of credit and as such would be in conflict with the opponents' services. On the other hand it is said that deposits are neither expressly nor even impliedly within the terms of the opponents' specification or of the same description. That seems to me to be altogether too narrow a point of differentiation. The placing of money (deposits) and the lending of money (whether by loans, credit etc) seem to me to be closely linked. Many financial institutions (banks and building societies for instance) function by doing both. Consumers are well used to that state of affairs. I cannot see how confusion could be avoided if the 'provision of deposit and loan accounts' were offered alongside the opponents' services yet different trade sources were involved.

(iv) 'securities dealing' - again it is said that these services are not in conflict. I have some sympathy with that view notwithstanding Mr Harrison's suggestion that it might include credit brokerage. Securities dealing is in my view normally taken to mean trading in stocks and shares though it may also include other financial instruments such as unit trusts, options, futures etc. Whilst I acknowledge that financial institutions such as banks may offer securities dealing as well as their traditional core activities, in my view it forms a discrete area of trade. The nature of securities dealing is that it is an investment mechanism rather than the provision of finance. It is some way removed from the services of the opponents' registrations. The services are neither in competition with one another or alternatives. The users too will be different save that at a high level of generality the public at large are customers for all such services.

(v) 'issuing of credit cards and cheques' - it was suggested that these services could be distinguished from the opponents' credit services, credit card services etc on the basis that the latter are likely to be offered to the organisations who operate the credit cards. I do not accept that the opponents' specification is limited in this way. I regard credit card services as being sufficiently broad to encompass the issuing of credit cards and cheques. On that basis the same or certainly services of the same description are involved.

28. My overall finding in relation to Section 12 is, therefore, that there is a likelihood of confusion in respect of all the applied for services save for 'securities dealing'.

29. The test under Section 11 requires me to consider the opponents' actual use rather than notional use across the breadth of the specifications of their registrations. I have no hesitation

in saying that the opponents' position is not further improved under Section 11. There is nothing in their evidence to suggest that they are in a position to succeed in relation to the services (securities dealing) that survived the Section 12 attack. I will, however, offer a few brief comments as Mr Mellor devoted some time to attacking the opponents' evidence. The thrust of his argument was that the most the opponents had done by the material date was to offer financial packages directed towards car purchase. He did not, therefore, accept the position put forward in Mr Lascelles' evidence that led him to the conclusion

> "In my view the financial services sector has opened up to players other than the traditional banks to such an extent that if the public see financial services offered under a household name such as for example KODAK, TESCO, AUDI or DULUX they are likely to assume that the services are being offered under the auspices of the owner of the Trade Mark in question."

30. His criticism was directed particularly at the fact that Mr Lascelles and Mr Le Vrang in his evidence are dealing with the position some time after the material date in these proceedings. Both declarations were in fact made in February 1998. There may well be an increasing crossover between the motor trade and financial services as has happened between supermarkets and financial services. It is in the nature of such changes that they take place over a period of time. Consumer awareness and expectation gradually adjusts to these changed patterns of behaviour. Establishing what the position was in October 1993 is not easy. In my view the opponents' evidence either does not establish what the position was at that time or overestimates the extent to which such practices had developed. I am prepared to accept that there would have been some consumer expectation in 1993 that car manufacturers would offer financial packages as an inducement to purchase. I am not persuaded that customers would have expected a broad range of financial services to be on offer at that time from car manufacturers. In saying that I have not lost sight of the opponents' evidence to the effect that they have established a bank in Germany under the trade mark AUDI. But that is their home market. It does not deal with the position in this country. In short the opponents' position is no stronger and arguably somewhat weaker under Section 11. The Section 12 position, therefore, prevails.

31. The Section 12(1) position is not the end of the matter as the applicants' say that, to the extent that I am against them under that subsection, they are nevertheless entitled to registration on the basis of their honest concurrent use. The relevant provision reads:

> "(2) In case of honest concurrent use, or of other special circumstances which in the opinion of the Court or the Registrar make it proper so to do, the Court or the Registrar may permit the registration by more than one proprietor, in respect of-
>
> (a) the same services,
> (b) the same description of services, or
> (c) services and goods or descriptions of services and goods which are associated with each other,
>
> of marks that are identical or nearly resemble each other subject to such conditions and limitations, if any, as the Court or the Registrar, as the case may be, may think it right to impose."

32. The main matters for consideration under Section 12(2) were laid down by Lord Tomlin in the *PIRIE* case 1933 RPC 146. They are:

(i) the extent of use in time and quantity and the area of trade;

(ii) the degree of confusion likely to ensue from the resemblance of the marks, which is, to a large extent, indicative of the measure of public inconvenience;

(iii) the honesty of the concurrent use;

(iv) whether any instances of confusion have been proved;

(v) the relative inconvenience which would be caused if the mark in suit was registered, subject if necessary to any conditions and limitations.

33. I bear in mind also Mr Mellor's submission by reference to STAR Trade Mark, 1990 RPC 522, that I should not adopt an overly hypothetical approach to the matter.

34. I have set out above the evidence on which the applicants base their claim. It was heavily criticised by Mr Harrison at the hearing. I share many of his concerns particularly in so far as the evidence is vague, unsubstantiated and either clearly after the relevant date (the London desk evidence) or not clearly stated to be before the relevant date. The opponents have also had enquiries conducted to establish whether the applicants were registered with the appropriate authorities and authorised to offer some or all of the services claimed. They ask me to conclude that in the apparent absence of any such registration/authorisation procedures the applicants could not lawfully offer certain services. I have not found it necessary to resolve these questions and indeed would find it difficult to do so on the evidence before me and in the absence of expert evidence on the Banking Act or other relevant provisions. On the separate question of whether it is necessary for the applicants to have a presence in this country I accept Mr Mellor's submission (supported by reference to Pete Waterman v CBS, 1993 EMLR 27) that the applicants can claim use in this country if they satisfy me that they have customers here.

35. The applicants' position is not easily determined from the generality of the claims made. However my understanding is that the London desk (albeit based in Beirut) was not established until 1994 or 1995 for the purposes, inter alia, of offering private banking services. Either of those dates places its creation after the material date in these proceedings. Prior to that Banque Audi's banking activities in the UK were restricted to inter-bank dealings. The evidence for this is largely contained in Dr Debbané's affidavit of 25 October 1994 which shows "deposits with English banks" (my emphasis) from 1988 onwards. The sums involved are probably not large in the context of a banking operation but are certainly not insubstantial. However Mr Harrison suggested that having a bank deposit does not amount to providing a banking service. The applicants were in this respect customers for, and not providers of, the service. That is also my reading of the evidence. Mr Mellor suggested that these transactions needed to be seen in the context of an inter-bank dealing operation where the respective banks are, as he put it, pretty much on equal terms. That seems to me to be a point where evidence would be needed directed towards the nature of inter bank dealings. I remain unconvinced

that these deposits represent any sort of trade in banking services. In the absence of any further explanation or evidence I intend to place what seems to me the most straightforward interpretation on the evidence.

36. There is a limited amount of supporting information exhibited in support of this claim. This consists largely of copy correspondence between various UK banks and Banque Audi in the Lebanon relating to telegraphic test keys. These appear to be security mechanisms used between banks to authenticate instructions or messages. The letters are largely pro forma ones and do not in themselves evidence any transactions. To the extent that they would be used to facilitate deposits their existence does not advance the applicants' case. Likewise the listings of 'banking relations' with UK banks does no more in itself than establish that companies in the Bank Audi Group had contacts in the UK and facilities to place money on deposit. None of this material establishes that banking services were offered to customers in the UK (even taking the term customers at its broadest to include other banks, corporate or private clients).

37. The other services covered by the application are dealt with in Dr Debbané's affidavit of 2 November 1995. Again I have recorded the information given in my summary of the evidence. The conclusions I draw from this evidence are

- there is a claim to continuous use since 1962 but no substantiation of that first use or continuity of trade thereafter.

- the applicants' clientele is said to be either resident in the UK or travelling to the UK from time to time. I infer that some of the customers are resident overseas. No breakdown between the categories is given.

- only two business areas are quantified. Mortgage loans registered in the name of Bank Audi are said to be in the range of £10 million. There is not a single piece of evidence to support that claim. Given that the applicants do not appear to have a presence in this country it is difficult to see how the business was obtained. The Audi Group has a presence in a number of overseas locations. It may be that the mortgage lending in question is on properties owned by foreign nationals or ex-patriates living in the UK. That is, of course, speculation on my part. The point is that there is no evidence to show how or where the services were offered, where the customers are or what time frame is applicable.

- the other area where a value has been ascribed to the business is customer deposits (£37 million) and customer loans (£35 million). These sums are said to be "related to the UK". I do not know quite what that means. It could mean no more than that the bank has, say, loaned money overseas for an overseas national to invest in the UK. The claim is unclear, unsubstantiated and fails to confirm that a service has been provided to customers in this country in the period prior to the filing date and for how long etc.

- the statements regarding the provision of cheque books and credit cards amount to little more than assertion and provide no conceivable basis for an honest concurrent use claim.

38. On the basis of this evidence the applicants have failed to get to first base in the Pirie test in terms of the nature and extent of use in time and quantity. In the circumstances there is nothing to be gained by considering the other elements of the test. Nor do I need to address certain other criticisms that Mr Harrison levelled at the opponents' position. The result is that the honest concurrent use claim fails.

39. The final matter I have to consider is the opponents' request that the registration be refused in the exercise of the Registrar's discretion. In Mr Harrison's skeleton argument the point was put in two ways. Firstly it is said that Dr Debbrané's evidence is misleading or evasive and secondly that there was no bona fide intention to use the mark at the time the application was filed. The first of these points is a potentially serious claim and one which should have been clearly raised at an early stage in the proceedings or during the course of the proceedings if it was felt to arise from the applicants' later evidence. The applicants' claims may have been over-ambitious and in my view have not been substantiated. But I decline to find that there has been any attempt to mislead. The absence of intention to use point has also not been properly signposted and also arguably falls under Section 17(1) rather than discretion (see Cross J's comments in RAWHIDE Trade Mark 1962 RPC 133 at page 143 albeit that the decision taken in exercise of the Registrar's discretion was affirmed). Even setting the latter point aside there is insufficient basis for me to reach the conclusion that the applicants had no bona fide intention to use the mark at the time of filing.

40. In the circumstances the application will be allowed to proceed to registration if, within 28 days of the end of the appeal period the applicants file a Form TM21 restricting their specification to "securities dealing; all included in Class 36". If the applicants do not file a Form TM21 restricting their specification in this way the application will be refused in its entirety.

41. The opponents have achieved a large but not complete measure of success. They are entitled to a contribution towards their costs. I order the applicants to pay the opponents the sum of £835. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 26th day of September 2001

M REYNOLDS
For the Registrar
the Comptroller-General