

O-218-14

IN THE MATTER OF the Trade Marks Act 1994 (the “Act”)

and

**IN THE MATTER OF UNITED KINGDOM TRADE MARK REGISTRATION
NO. 1520898 IN CLASS 42 IN THE NAME OF BICE INTERNATIONAL
LIMITED**

**IN THE MATTER OF REVOCATION APPLICATION NO. 84227 BY BICE
AG**

**APPEAL TO THE APPOINTED PERSON FROM THE DECISION OF MR
MARTIN BOYLE, HEARING OFFICER, DATED 3 SEPTEMBER 2013 (the
“Decision”)**

DECISION

Introduction

1. This is an appeal by the registered proprietor, Bice International Limited, from the decision of the Hearing Officer, Mr Boyle, revoking the trade mark



for non-use under s46(1)(b) of the Trade Marks Act 1994.

2. The trade mark is registered in class 42 for the following services:

“restaurant, cafeteria and café services; catering services; bar services; all included in Class 42.”

The relevant period of non-use with which this appeal is concerned is 14 November 2006 to 13 November 2011 (the date on which the application to revoke was made)¹. I shall refer to that period in this Decision as ‘the relevant period’.

3. It is accepted by the proprietor that no restaurant, cafeteria, café or bar was operated in the United Kingdom under the trade mark during the relevant period. The grounds of appeal against the decision are two-fold and may be summarised as follows:

- (a) That the Hearing Officer should have held that the activities of the proprietor in dealing with prospective franchisees or licensees of the trade mark in the United Kingdom during the relevant period constituted ‘use’ of the trade mark.
- (b) That the Hearing Officer should have held that there were ‘proper reasons for non-use’ of the trade mark connected with the challenges to the proprietor’s trade mark applications and registrations and/or the economic conditions in the hotel and restaurant industries after the attack on the Twin Towers on 11 September 2001.

The appeal against the finding of non-use

4. The appeal against the finding of non-use can be dealt with shortly.
5. The proprietor points out that ‘use’ of a trade mark is not limited to use in the course of trade with consumers. It can equally take place in the course

¹ In fact, the mark was also held not used during an earlier 5 year period, but this is irrelevant to the appeal since any use during the period set out above would have cured the non-use in that earlier period.

of trade between businesses. It cites the decision in La Mer v Laboratoires Goemar [2004] EWHC 2960 Ch. In that case, the Court of Appeal held that the sales of perfumes marked with the trade mark ‘Laboratoire de la Mer’ by an importer to a wholesaler in the United Kingdom was sufficient to amount to ‘genuine use’ of the mark in relation to perfumes. Having considered the decision of the CJEU in Ansul BV v Ajax Brandbeveiliging BV [2005] Ch. 97 that the use must be ‘*on the market for the goods or services protected by the mark*’, they held that there was clearly a market for the supply of goods including perfumes from importers to wholesalers and that the use of the mark by the proprietor in that market therefore amounted to genuine use, even though it could not be shown that the goods had ever been sold or advertised to actual consumers.

6. In La Mer there was of course no dispute that the mark had been used in relation to the goods for which it was registered. It had been applied to perfume bottles and their packaging which were imported into the United Kingdom. This was plainly ‘use’ as defined in Article 5(3) of the Directive. The only question was whether this was sufficient to amount to ‘genuine use’: in particular whether it was ‘*sufficient to preserve or create market share for those products or services*’.
7. In the present case, by contrast, there is no evidence of the trade mark being used at all in the relevant period. The proprietor relies on two pieces of evidence. The first is paragraph 13 of the first witness statement of Mr Ruggeri, a director of the proprietor. There he says as follows:

‘I confirm that the Proprietor has been approached on a number of occasions at least since 2008 to enter into local partnerships and licenses in the UK to reopen a BICE restaurant. Such a restaurant would use the BICE logo and therefore the Trade Mark Registration. I am also aware of approaches taking place between 2004 and 2009.’

Even assuming that one or more of these ‘approaches’ had been made within the relevant period, there is no attempt to suggest that the mark was used in the course of the making of that approach. Furthermore, even if the approach had used the mark in some way (perhaps in the course of a business proposal), it is hard to see how this could be said to have been ‘by proprietor or with his consent’ as required by s46.

8. The second piece of evidence is paragraph 16 of Mr Ruggeri’s statement and the exhibit to which he refers:

‘To demonstrate the ongoing negotiations with third party and the presence of the BICE logo within the restaurant trade I can confirm that the Proprietor, after extensive negotiations during 2011 and some extensive reassurance, entered into a licence agreement with a local partner in the UK with a commencement date of 1 February 2012 for a term of 10 years. There is shown to me now as AB10 a copy of an extract of the signed licence...’

9. Once again, there is no evidence here that the trade mark was used at all in the course of these ‘extensive negotiations’, let alone used in the UK in relation to the services for which the mark is registered. I note that, whilst the negotiations are said to have been with a ‘local partner in the UK’, the exhibited agreement (the ‘BICE Master License Agreement’) is with a company called Portland International Limited, organised and existing under the laws of the Republic of Seychelles, and with an address in the United Arab Emirates. Even if the negotiations had involved use of the trade mark in some way, there is no reason to suppose that this had occurred in the United Kingdom. It may also be noted that there is nothing in the exhibited extracts which refers to the mark in the form of the device which is applied for.
10. In all the circumstances, it seems to me that the proprietor has failed to show any use of the trade mark in the relevant period. I would add that even if the evidence had shown that the mark had been referred to in the

course of business negotiations between the proprietor and prospective licensees, this would have been most unlikely to satisfy the requirement of 'genuine use' in respect of restaurant services. References to a mark in negotiations are not a type of use '*sufficient to preserve or create market share for those products or services*'. They are simply discussions about the potential use of a mark to preserve or create market share.

The appeal against the finding of no proper reasons for non-use

11. The proprietor contended before the Hearing Officer that there were two 'proper' reasons for non-use:
 - (i) The events of 9/11/2001 and their immediate aftermath, which were said to have had a negative effect on the market for the restaurant business in the United Kingdom.
 - (ii) The challenge made against the proprietor's mark by the applicant for revocation.

12. So far as the former are concerned, it will be noted that the events of 9/11 took place some 5 years before the commencement of the key period of non-use in this case, and some 10 years before the expiry of that period. One therefore approaches the argument with some scepticism, to say the least. This scepticism is not dissipated by the evidence.

13. The only real evidence about the effect of 9/11 related to certain negotiations between the proprietor and the Hilton Hotel about launching a restaurant under the trade mark. A senior executive of Hilton Hotels at the time, Mr Donald Morrison, gave evidence about a presentation given to Hilton London by Mr Ruggeri on behalf of the proprietor of the trade mark on 5 September 2001, with the aim of establishing a BICE restaurant in the hotel. The idea was apparently greeted positively by Hilton at the time. Mr Morrison believes that the project was not taken further because of the

cost-cutting by the hotel industry which followed the 9/11 disaster (which of course took place 4 days after the meeting).

14. As the Hearing Officer pointed out, however, in ¶¶28 of his Judgment, none of this sheds any light on the reasons why the mark was not used in the period 2006-2011 (or indeed the earlier period 2004-2009). There was in fact no evidence that the events of 9/11 were still having an effect on the catering industry at that time, let alone that this actually prevented the proprietor from using the mark.

15. On this Appeal, the proprietor's solicitor, Mr Stanes, contended that the Hearing Officer had *'failed to appreciate the nature of the business'* being operated by the proprietor. In essence, he submitted that this was not the kind of business which could just rush into any old premises. Rather it was *'the international licensing of an extremely high-end restaurant concept. The nature of the business is that it can only operate in locations such as top international hotels within capital cities...in this market, commercial negotiations and work preparatory to opening a restaurant will typically take years...'*. The point seemed to be that the business was so exclusive that there were hardly any venues open to it, so it was not surprising that no appropriate venue had been located between 2004 and 2011.

16. This seems to be rather different from the '9/11' point actually argued before the Hearing Officer. Anyway, the argument is, in my view, without foundation. Mr Stanes could not point me to any evidence to support his submission about the limited range of locations in which the restaurant could operate, or why this was a particular difficulty in the United Kingdom (which is of course more than adequately supplied with 'top international hotels'). Mr Ruggeri's evidence on behalf of the proprietor identifies a number of restaurants in operation abroad, but there is nothing to suggest that they are all in particularly exclusive locations, let alone in

top international hotels. Moreover, the only restaurant which has operated under the trade mark was the one in Albermarle Street until 2004. It was not suggested that this was an exclusive location.

17. I can see no basis here for criticising the approach taken by the Hearing Officer. He rightly dismissed the suggestion that there were proper reasons for non-use between 2006 and 2011 connected with the aftermath of 9/11.

18. The second reason advanced for the non-use was the challenge made to the proprietor's mark (or to related marks) by the applicant for revocation. The first challenge appears to have been to the word mark BICE at OHIM in early 2009. Later challenges were also made, culminating in the present challenge in November 2011. The registered proprietor suggests that it was not possible for it to acquire licensees willing to operate the mark when it was under threat.

19. Obviously, this argument could at best only explain non-use in the last 2 years of the relevant period. But even in that period, the evidence was extremely unconvincing. Mr Ruggeri simply asserts in ¶14 of his first witness statement that *'the uncertainty resulting from the Applicant's activities have adversely affected our conversations with local partners in the UK and elsewhere.'* He also states at ¶23 that *'The existence of such attacks meant that a licence agreement could not be concluded during this period in the UK.'* As the Hearing Officer pointed out, however, there was no proper evidence about the nature of the 'conversations', what level they had reached, or how the challenge to the mark from the Applicant had put paid to those activities. In particular, there was nothing to show that in the absence of the Applicant's attack a licence would actually have been entered into.

20. Finally, the argument that the attacks on the registered mark prevented the making of a licence agreement was somewhat contradicted by the fact that the registered proprietor actually entered into the licence agreement with Portland International Limited to which I have referred in ¶¶8 and 9 above whilst the attacks were continuing. This should be compared with the period during which the mark was not being attacked (2004-2009) when no licences were entered into.

21. Once again, I consider that there is no valid basis on which the Hearing Officer can be criticised for reaching the conclusions he did.

Conclusion

22. I reject the appeal and uphold the decision of the Hearing Officer.

23. I shall order the registered proprietor to pay the applicant's costs of this appeal in the amount of £1500 (being £500 for the written submissions and £1000 for the hearing itself). I have ordered costs at the upper end of the scale to reflect the unmeritorious nature of this appeal.

IAIN PURVIS QC

THE APPOINTED PERSON

15 May 2014

