

O-122-07

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2385568
BY LYN HICKEY
TO REGISTER THE TRADE MARK
HYDRO-KIK
IN CLASS 41
AND IN THE MATTER OF OPPOSITION THERETO
UNDER No. 93678
BY THE SWIMMING TEACHERS' ASSOCIATION LIMITED**

BACKGROUND

1) On 26 February 2005, Lyn Hickey of 11 Inglewood, Woking, Surrey, GU21 3HX applied under the Trade Marks Act 1994 for registration of the trade mark **Hydro-Kik**, in respect of the following services:

In Class 41: "Water exercises (exercises in water) - a martial arts training based on boxing and kick-boxing for exercise in water."

2) On 19 August 2005 The Swimming Teachers' Association Limited of Anchor House, Birch Street, Walsall, WS2 8HZ filed notice of opposition to the application. The grounds of opposition are in summary:

a) The opponent is the proprietor of the mark HYDRO-KIK in the UK and has used the mark in the UK since at least April 2004 in relation to the training of teachers and instructors in relation to a water based exercise regime, running classes and workshops on this subject. The mark therefore offends against Section 5(4)(a) of the Trade Marks Act.

b) The applicant was in the employ of the opponent from December 2002 until July 2004. In December 2003 a plea was made by the applicant in the opponent's newsletter for the suggestion of a name of a new form of water-based exercise which the opponent was devising at the time. The person who won the competition is now in the employ of the opponent. The applicant was not the creator of the mark in suit, but commissioned its creation on behalf of the opponent whilst in the opponent's employ. The applicant also used the mark in suit on behalf of the opponent whilst in the opponent's employ. The application was made in bad faith and offends against Section 3(6) of the Trade Marks Act 1994.

3) The applicant subsequently filed a counterstatement denying the opponent's claims. The applicant also filed documents substantiating her case which I shall refer to in my summary of her evidence.

4) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 11 January 2007 when the opponent was represented by Mr Brandreth of Counsel instructed by Messrs Marks & Clerk and the applicant represented herself.

OPPONENT'S EVIDENCE

5) The opponent filed a witness statement, dated 5 January 2006, by John Roger Millward, the Chief Executive of the opponent company, a position he has held since 1995. From this statement the following can be elicited:

a) The opponent is a registered charity whose objectives are "the preservation of human life by the teaching of swimming, lifesaving and survival techniques". They offer courses on swimming teaching, lifesaving, first-aid, water-based exercise and pool management. The courses are attended by life guards, pool managers, parents and teachers.

b) The applicant joined the opponent company as a part-time development officer in December 2002. Her focus was water-based exercise which is known by the general name of Aquacise. The applicant was given a two fold brief: (1) to run classes for the opponent and (2) to develop the Aquacise brand. The latter being done by, for example, devising new classes as sub-courses under the Aquacise brand. It is claimed that the Hydro-Kik product is an example of such a sub-course. At exhibit RM3, page 8, there is an article, dated October 2003, written by Ms Hickey as the Aquacise Development Officer, which refers to the increasing popularity of Aquacise with "the emmergence of alternative classes like Aqua-Kick".

c) It is claimed that the applicant devised a similar class for the opponent. In his statement Mr Millward states: "In it [the article] she refers to the growing emergence of alternative classes such as "Aqua-Kik", namely martial arts water-base classes. On the basis of this acknowledged growing trend she then went on to devise a similar class for my Association, latterly publicising the need for a name for the new course".

d) At exhibit RM4 is the December 2003 edition of *Swim and Save* the opponent association's magazine. This is the same magazine in which Ms Hickey wrote the article referred to above. In the December edition is a request for assistance in naming the martial arts workshop to be held in February 2004. The article is under the applicant's name and features her home address. She is not identified as being connected with the opponent. In the April 2004 edition of the magazine, at exhibit RM5, the winner is announced in Ms Hickey's official column with the winning name being "Hydro-Kik". Mr Millward states that since this time Hydro-Kik workshops have been offered as part of the continuous professional development seminars for instructors who need to maintain post-qualification development. Also in exhibit RM5 is a list of workshops under the Aquacise programme, one of which is Hydro-Kik. Mr Millward states that the opponent has used two versions of the mark; Hydro-Kik and Hydro-Kick. He states that in 2005 approximately six Hydro-Kik workshops were held around the UK by his association with ten being organised for 2006.

e) In July 2004 Ms Hickey resigned from the Association and ran her own workshops which were not accredited by the Association. The opponent also became aware that Ms Hickey was using the term Hydro-Kik and so instructed solicitors to write to her requesting that she cease to use the mark.

f) Mr Millward contends that the name HYDRO-KIK was devised for his Association whilst Ms Hickey was an employee whose role was to develop new workshops under the Aquacise mark. He states that Ms Hickey "may have had her own independent reputation in this sector before and after employment with us but the point in dispute here is her status at the time of creating the HYDRO-KIK trade mark, namely as an employee of my Association". He points out that the prize for the winner of the competition was a place on one the Association's workshops. He states that any use by Ms Hickey would have been seen as being carried out on behalf of his Association.

APPLICANT'S EVIDENCE

6) The applicant, Ms Hickey, filed a statement dated 27 March 2006. She states that she has been self employed as a water aerobics instructor and teacher since 1999. She began running workshops in her own right in 2001. She states that in January 2003 she joined the Swimming Teachers Association (STA) as the Aquacise Coordinator on a part time basis of 10 hours per week at a salary of £5,000 per annum. She describes her role as promoting the Aquacise brand name and developing the Aquacise programme standards. She states that Aquacise tutors are all self employed who purchase manuals from the STA and then charge the public for attending courses. She states that she was no different to all other tutors in that she paid the STA to purchase manuals and run courses. The only exception to this was the first tutors course that she held in August 2003 for which she was paid by the STA. She points out that the ten hours a week she was paid to promote Aquacise was not enough to deal with organising tutors, instigating and attending meetings, answering queries, liaising with regional organisers and writing for the newsletter. At exhibit HK4 she provides a copy of an e-mail, dated 27 May 2004, in which she states that 75% of her work is reactive dealing with general enquiries, passing would be instructors onto tutors, supporting the tutors and STA members re ideas and advice on Aquacise. The 25% proactive was said to be looking for venues, promoting the name, sending out flyers and information on Aquacise and NARS. She goes on to suggest more hours so that she can attend meetings and promotions. During her time with the STA Ms Hickey continued to develop and run workshops and aquatic presentations in her own right.

7) Ms Hickey states that the workshops referred to at the opponent's exhibit RM3 are separate to Aquacise and the article she wrote was a general article raising awareness of water based fitness training. She states that she did not run any classes for the STA as they do not operate in this manner. She states that on November 2003 she was offered the chance to enter into a partnership with STA but declined as she would not have been able to continue to work for herself and own her own intellectual property. She provides a copy of the proposed partnership agreement at exhibit HK6. She states that her most profitable workshop is the martial arts based course initially called KIKFIT now called HYDRO-KIK. In order to develop this she travelled to the USA and attended training sessions, took academic qualifications and spent a considerable amount of time developing the programme, mostly during 2003. All this was done at her own expense. At exhibit HK7 she provides copies of certificates she received attending the various training courses.

8) Ms Hickey states that she has not given her permission for anyone else to conduct her workshop as the exercises can potentially injure the participant if not done correctly. Ms Hickey felt she needed a better name than KIK-FIT and so ran a competition to find the name. The article in the STA magazine was in her name with her address and with no mention of the STA. The winner was given a voucher to attend one of Ms Hickey's workshops free of charge. At exhibit HK12 she provides copies of correspondence which corroborates her version. Ms Hickey states that her workshops were, by April 2004, approved by the STA and could be used to gain continuous professional development (CPD) points. At exhibits HK13 & 14 she provides examples of use of the mark in suit with regard to workshops. A number of these are in the opponent's own newsletter but Ms Hickey points out that the

newsletter contains other advertisements for products such as shoes and exercise equipment from companies unconnected to the opponent. She contends that her classes are in this genre. She states that the workshops were approved by the opponent and so they were happy to advertise them. Ms Hickey states that she alone conducted these workshops. At exhibit HK14 she provides copies of e-mails relating to non-STA workshops under the mark in suit that she conducted. I note that the e-mail address of Ms Hickey during this time remained lynaquacise@hotmail.com.

9) Ms Hickey states that shortly after she left the STA she was informed that the STA would not recognise her workshops although this was soon rescinded. She states that out of two workshops conducted at this time only one person per course was registered with the STA, whereas there were twelve people in total on the two courses. She states that shortly after this time she became aware that the opponent was using her programmes and course names without her permission and that she instigated contact to resolve the matter.

OPPONENT'S EVIDENCE IN REPLY

10) The opponent filed a second witness statement, dated 29 June 2006, by Mr Millward. He states that Ms Hickey's role in the STA did include developing courses. At exhibit RM11 he provides a copy of the job description, dated August 2003, for Ms Hickey which states, inter alia, "To facilitate, monitor and influence the development of the standards, practices and delivery frameworks for the Aquacise brand", He claims that a key part of doing this was to design and standardise workshops. He refers to exhibit RM 12 which he states is a plan drawn up by Ms Hickey which outlined her ideas and aspirations about working for the STA and which includes "Plan and organise additional workshops, Ante/Post natal, Arthritis, Martial arts etc".

11) At exhibit RM13 Mr Millward provides a mission statement by Ms Hickey from Summer/Autumn 2003. In this plan Ms Hickey states:

"Aquacise is the name of the course and on the certification, because of the diverse population in which we serve, the need to classify what we do and what level we do it at, and the dynamic personalities of the instructors, it has been sub-divided into classification names to express the type of water fitness that each class offers: Our own qualified "Aquacise" instructors are often taking their classes under other names".

12) After this statement Ms Hickey then goes on to list a number of names such as "Aqua power", "Aquaerobics", "Aquacombat/Kick-Fit" and provides an explanation as to what each entails. The document also includes the following:

"Workshops planned are called:

Pre/Post natal

The martial arts one has no name, will be named via a competition in Dec Swim & Save.

Equipment showcase

Deep Water

Fun on a Flexi-Beam"

13) Mr Millward contends that this shows that the applicant intended to come up with a name for an Aquacise course via his organisations magazine for and on behalf of his organisation. At exhibit RM14 Mr Millward provides an Aquacise training manual. This includes at pages 60-63 a chapter titled "Designing an Aquacise Class". It is not an instruction manual in the sense of providing the tutor with the materials required to actually take a class, it is more of a general guidance note on what should be considered by tutors when devising their own courses. The entry for "Aqua Martial Arts" states:

"A fitness workout using the moves from boxing, kickboxing etc that brings them to the challenging environment of the water. Using changes in speed and resistance it is an excellent interval workout for a high intensity, highly resistive lowered impact exercise class. The kicks, punches and blocks utilize the properties of water, especially buoyancy and drag. This type of class can be used for cross training, group training and personal training participants. Added resistance equipment of buoyant wrist wraps, ankle wraps and mitts can be worn. A water level of chest height is ideal."

14) Mr Millward claims that the earliest version of this manual was created prior to Ms Hickey joining the opponent and that whilst employed she contributed to the document. He states that the element regarding martial arts was written by the applicant under his organisations supervision and that this became the HYDRO-KIK workshops. He points out that the document copyright is owned by the opponent and that it is clearly marked as such on each page. He repeats his contention that the name HYDRO-KIK was arrived at following a competition organised for and on behalf of the opponent in relation to a workshop to be carried out for and on behalf of the opponent.

CROSS EXAMINATION

15) At the hearing Ms Hickey was cross examined under oath. She seemed to me to be a credible truthful witness who did her best to answer the questions put to her in a straightforward and helpful manner. The cross examination brought out the differences of opinion as to what the opponent came to expect from Ms Hickey and what she felt able to provide in the limited time for which the opponent was willing to reimburse her. Mr Brandreth is a very skilled Counsel and managed to elicit what he contended were inconsistencies in the evidence of Ms Hickey. However, these seemed to me to be based on differences of opinion between the parties or an overly forensic interpretation of the evidence. An instance of the former was raised over the job description filed by the opponent at exhibit RM11. The duties encompassed within the job description went much further than the role that Ms Hickey outlined she had in her evidence. However, she explained that the job description was impossible in the hours allotted to her and so it was never agreed by both parties. Ms Hickey had shown in her evidence her willingness to carry out a greater role even than that set out by the opponent. However, the stumbling block again would appear to have been the unwillingness of the opponent to pay for this work to be carried out. I note that Mr Brandreth steered clear of questioning Ms Hickey on her e-mail exchanges with the STA from May 2004 (exhibit HK4) where she sets out what she is actually doing, rather than what she, or the opponent, envisaged.

16) An example of the latter is shown in the following exchange:

Mr Brandreth: "Consistent with that intention as expressed in 2002, and again in 2003, and consistent with your job description, you did go on to develop Aquacise workshops, did you not?"

Ms Hickey: "No. I went on to develop workshops. The reason that the advertising in the STA had the Aquacise brand was to promote them to the Aquacise instructors. When they were advertised in other places some did, some did not. They mainly did not have the Aquacise on it. They were open to Speedo, YMCA."

17) Later on in the cross examination further light was shed on this topic when Ms Hickey stated "...out of six people who attended that workshop, one person was an STA Aquacise. Everybody else was from other organisations, so it is in my interests to develop and to create more workshops. If I was to rely solely on the Aquacise instructors doing it you would have few attendees."

18) With regard to the connection between the Hydro-Kik course and Aquacise Ms Hickey made a number of interesting points. The following are taken from her answers to various questions:

"That in hindsight is my complete stupidity. I tried to promote the Aquacise brand in everything I did. I did fitness as I said before, presentation, and at the end of the presentations I always mentioned Aquacise, although they had nothing to do with Aquacise."

"The reason it has Aquacise on it is because, when their two years were up, instructors and tutors have to reaccredit every two years. When their two years was up they would send all their certificates of attendance to the workshops. Those that were STA members would have received an STA."

DECISION

19) The first ground of opposition is under Section 3(6) which reads:

"3.(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith."

20) Section 3(6) has its origins in Article 3(2)(d) of the Directive, the Act which implements Council Directive No. 89/104/EEC of 21 December 1988 which states:

"Any Member State may provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where and to the extent that....

(c) the application for registration of the trade mark was made in bad faith by the applicant."

21) The Directive gives no more clue as to the meaning of "bad faith" than the Act. Subsequent case law has avoided explicit definition, but has not shirked from indicating its characteristics. In *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367, Lindsay J stated at page 379:

"I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall-short in order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances."

22) The Privy Council considered earlier authorities in *Barlow Clowes International Ltd (in liquidation) & Others v Eurotrust International Limited & Others*, (Privy Council Appeal No 38 of 2004 on which judgment was delivered on 10 October 2005 - not reported at the time of writing). In particular, their Lordships considered a submission from Counsel that an inquiry into the defendant's views about standards of honesty is required. The following passage from Lord Hoffman's judgment sets out the position as follows:-

14... "[Counsel for the defendant] relied upon a statement by Lord Hutton in *Twinsectra Ltd v Yardley* [2002] 2 AC 164, 174, with which the majority of their Lordships agreed:

"35. There is, in my opinion, a further consideration which supports the view that for liability as an accessory to arise the defendant must himself appreciate that what he was doing was dishonest by the standards of honest and reasonable men. A finding by a judge that a defendant has been dishonest is a grave finding, and it is particularly grave against a professional man, such as a solicitor. Notwithstanding that the issue arises in equity law and not in a criminal context, I think that it would be less than just for the law to permit a finding that a defendant had been 'dishonest' in assisting in a breach of trust where he knew of the facts which created the trust and its breach but had not been aware that what he was doing would be regarded by honest men as being dishonest.

"36.....I consider that the courts should continue to apply that test and that your Lordships should state that dishonesty requires knowledge by the defendant that what he was doing would be regarded as dishonest by honest people, although he should not escape a finding of dishonesty because he set his own standards of honesty and does not regard as dishonest what he knows would offend the normally accepted standards of honest conduct."

15. Their Lordships accept that there is an element of ambiguity in these remarks which may have encouraged a belief, expressed in some academic

writing, that *Twinsectra* had departed from the law as previously understood and invited inquiry not merely into the defendant's mental state about the nature of the transaction in which he was participating but also into his views about generally acceptable standards of honesty. But they do not consider that this is what Lord Hutton meant. The reference to "what he knows would offend normally accepted standards of honest conduct" meant only that his knowledge of the transaction had to be such as to render his participation contrary to normally acceptable standards of honest conduct. It did not require that he should have had reflections about what those normally acceptable standards were.

16. Similarly in the speech of Lord Hoffmann, the statement (in paragraph 20) that a dishonest state of mind meant "consciousness that one is transgressing ordinary standards of honest behaviour" was in their Lordships' view, intended to require consciousness of those elements of the transaction which make participation transgress ordinary standards of honest behaviour. It did not also require him to have thought about those standards were."

23) On the basis of these authorities it is clear that a finding of bad faith may be made in circumstances which do not involve actual dishonesty. Furthermore, it is not necessary for me to reach a view on Ms Hickey's state of mind regarding the transaction if I am satisfied that her action in applying for the mark in the light of all the surrounding circumstances would have been considered contrary to normally accepted standards of honest conduct.

24) The opponent's main thread is that the applicant was employed by them at the time that the title was devised and the course actually written. The applicant accepts that she was indeed employed during the relevant period, but for only ten hours a week. Prior to her employment by the opponent she was very active in the field of water fitness. Indeed, one might surmise this is why the opponent engaged her. She was known to have developed her own courses and to run classes or workshops for both the public and other professionals. It is clear from her own evidence that, when joining the opponent company, Ms Hickey saw the potential for growth in water based fitness activity and was keen to promote such ideas. She devised a highly ambitious plan and submitted it to the opponent, pointing out that delivering such a programme would involve far more than ten hours a week. For reasons which have not been made clear the opponent decided not to increase the number of hours that they were willing to pay Ms Hickey, but instead presented a job description which encompassed much of her plan, but crucially did not increase her paid hours. This job description does indeed cover the development of courses, but it is clear that it was not accepted by Ms Hickey. The evidence shows a number of items of correspondence which show that her ten hours a week were entirely taken up by relatively mundane activities such as responding to general enquiries and seeking to promote the STA and its Aquacise programme.

25) It is not in dispute that Ms Hickey alone devised the Hydro-Kik course. It is unchallenged that she attended numerous courses, including some in the USA, all at her own expense in order to be able to write the course. Equally unchallenged is, her statement that such a course takes hundreds of hours to devise. The evidence also seems clear that she arranged the competition to name the course and that she

provided the prize. The opponent has not shown any evidence that it was involved in the funding of any of her training or that it funded the prize. Instead the opponent has relied on the fact that she was employed on a part time basis by them during the relevant period. In November 2003 the opponent proposed a partnership agreement which would have covered intellectual property matters, but this agreement was not signed.

26) In an attempt to clarify events I have constructed a timetable of what I believe are the most important events.

December 2002	Ms Hickey is employed by the opponent.
June 2003	She attends an Aquatic kick boxing course in Florida.
August 2003	The STA issue a job description.
Autumn 2003	Ms Hickey provides her "business plan".
November 2003	A partnership agreement is drafted but not signed.
December 2003	A competition is announced to name the new course.
April 2004	The competition winner is announced.
May 2004	Ms Hickey provides details of how she is spending her time.
July 2004	Ms Hickey leaves the employment of the STA.

27) From the evidence filed it would appear that the opponent did not seek to define the role of their "Aquacise Development Officer" until she had been in post for over eight months and had sought to extend her role and her paid hours. I believe that the opponent was aware that Ms Hickey had developed a new course prior to offering the partnership agreement. I base this on the fact that a newsletter such as that issued by the opponent has a significant lead time. Also her attendance of a course in the USA and subsequent work on the course was likely to arise in conversation with colleagues. However, I do not attach any great import to whether they were or were not aware of these developments.

28) If the opponent considered that the course was being developed by Ms Hickey as their employee for their benefit why did they not pay for her attendance on the course in the USA? Why did they not pay for the prize awarded to the winner of the naming competition? Why did they allow her to run workshops under the name and accredit them, and accept the fees without seeking payment for use of their property? It would appear that it was only after the relationship broke up and Ms Hickey sought to register the name that the opponent awoke to the fact that the trade mark might have some value.

29) The workshops being run by Ms Hickey even during her employment with the opponent were not exclusively for members of the opponent. Indeed in her evidence she states that out of twelve attendees only two were registered with the opponent. She was, in my view, clearly operating as a sole proprietor, just as she had prior to her part time employment and as she continued to do during the whole of her employment. Indeed, one could expect nothing else given the stipend of £5,000 per annum.

30) It is unchallenged that Ms Hickey had, previous to her employment with the opponent, devised a class which was based around martial arts fighting. It is equally unchallenged that developing a workshop for instructors/ tutors takes a considerable

amount of time, Ms Hickey refers to "hundreds of hours". Given that she was employed for ten hours a week and that she was seeking to name her new course within 12 months of being employed by the opponent when she had been paid for at most 520 hours it is obvious that she would have achieved little else had she been developing the course during the time paid for by the opponent. They would also have paid for or contributed towards the cost of training, let alone the "naming prize".

31) I therefore reject the contention that Ms Hickey was acting in bad faith when she sought to register the mark in suit. It is not clear that she was employed to carry out such duties and it seems fairly certain that she funded the development herself. The ground of opposition under Section 3(6) therefore fails.

32) I now turn to the other ground of opposition under Section 5(4)(a) which reads:

"5. (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b).....

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

33) In deciding whether the mark in question "Hydro-Kik" offends against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the *WILD CHILD* case [1998] RPC 455. In that decision Mr Hobbs stated that:

"The question raised by the grounds of opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the applicant from those of other undertakings (see section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Article 4(4)(b) of the Directive and section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the applicant in accordance with the law of passing off.

A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731 is (with footnotes omitted) as follows:

^The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.'

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

‘To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark

etc. complained of and collateral factors; and
(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.'

34) The date at which the matter must be judged is not entirely clear from Section 5(4)(a) of the Act. This provision is clearly intended to implement Article 4(4)(b) of Directive 89/104/EEC. It is now well settled that it is appropriate to look to the wording of the Directive in order to settle matters of doubt arising from the wording of equivalent provisions of the Act. The relevant date may therefore be either the date of the application for the mark in suit (although not later), or the date at which the acts first complained of commenced - as per the comments in *Cadbury Schweppes Pty Limited v. The Pub Squash Co Pty Ltd* [1981] RPC 429. The use claimed by both parties relates to exactly the same use which began in April 2004. The opponent contends that the initial courses which were run solely by Ms Hickey were part of her employment with them. The applicant, Ms Hickey, denies this stating that she was acting on her own behalf as she had been both before her employment with the opponent and for the whole of her employment period up to and including April 2004.

35) With these considerations in mind I turn to assess the evidence filed on behalf of the parties in the present proceedings as set out earlier in this decision. I have already determined that the applicant devised the course during her own time and entirely at her own expense. Equally she also funded the competition to name the course. The opponent has contended that the course was named via a competition run through the auspices of their newsletter and under an article written by the applicant as the employee of the opponent. It is also contended that the applicant has only ever used the mark in conjunction with the opponent's "Aquacise" mark. This contention is made on the basis that even the applicant's e-mail address has the word "Aquacise" in it. The e-mail address was explained as having been created when Ms Hickey was a member of the STA, and some time prior to her employment. It was also stated that she did not change it for some time after as it was inconvenient to do so.

36) From the evidence given it seems to me that the applicant did indeed seek to use Aquacise to promote Hydro-Kik and conversely, used Hydro-Kik to promote Aquacise even after she was no longer employed by the opponent. In cross examination she accepted that she was perhaps foolish to continue to promote Aquacise after her employment ended, but it appeared to have been from a desire to promote water based fitness irrespective of financial considerations. I also note with interest that the courses run by Ms Hickey after her employment was ended were accredited by the STA until she was expelled from the organisation. This accreditation also involved receipt of fees from members of the STA who participated in Ms Hickey's courses. Also interestingly the opponent did not seek to prevent her from using the mark initially even after her employment ended, nor did they seek a fee for the use of the mark. I also note that these classes were accredited by other organisations.

37) Given that the use claimed by both sides is precisely the same usage, the question is was Ms Hickey using the mark as an employee or as an independent trainer. From all of the evidence filed I have come to the view that she was using the mark as an independent trainer and not as an employee of the opponent. Therefore, the ground of opposition under Section 5(4)(a) fails.

COSTS

38) The applicant is entitled to a contribution to her costs. She has represented herself during the course of this action. In *Adrenalin Trade Mark*, BL 0/040/02, Simon Thorley Q.C. sitting as the Appointed Person on appeal, observed that:

"8. It is correct to point out that the Registrar's practice on costs does not specifically relate to litigants in person but in my judgement it could not be that a litigant in person before the Trade Mark Registry could be placed in any more favourable position than a litigant in person before the High Court as governed by the CPR [Civil Procedure Rules]. The correct approach to making an award of costs in the case of a litigant in person is considered in CPR Part 48.6."

Part 48.6 of the Civil Procedure Rules referred to in the above passage provides as follows:

"48.6 - (1) This rule applies where the court orders (whether by summary assessment or detailed assessment) that the costs of a litigant in person are to be paid by any other person.

(2) The costs allowed under this Rule must not exceed, except in the case of a disbursement, two-thirds of the amount which would have been allowed if the litigant in person had been represented by a legal representative."

39) I order the opponent to pay the applicant the sum of £1,000. This sum 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 9th day of May 2007

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