

TRADE MARKS ACT 1994

IN THE MATTER OF:

OPPOSITION No. 93972

IN THE NAME OF FIANNA FAIL

TO TRADE MARK APPLICATION No. 2396543

IN THE NAME OF PATRICK MELLY

AND IN THE MATTER OF:

OPPOSITION No. 93974

IN THE NAME OF FINE GAEL

TO TRADE MARK APPLICATION No. 2396544

IN THE NAME OF PATRICK MELLY

D E C I S I O N

1. I shall begin by reviewing the activities on the part of Mr. Patrick Melly¹ which led to the filing of the oppositions on behalf of Fianna Fail and Fine Gael that are presently before me on appeal. Having done so, I shall consider the grounds of opposition and the evidence filed in support of the objections to registration. Finally, I shall consider and determine the appeals from the decisions issued on 31 July 2007 under reference numbers BL O-212-07 and BL O-213-07 in which the oppositions were rejected for the reasons given by Mr. M. Foley acting on behalf of the Registrar of Trade Marks.

¹ who now uses the name Patrick Gainsford O'Malley.

The activities of the applicant

2. The following companies were registered in England in 2005:

SINN FEIN LTD

Company No. 05473572

Date of Incorporation: 7 June 2005

Nature of business: SIC 03 – 7499 Non-trading company

Registered office: 10 Cromwell Place, South Kensington, London SW7 2JN.

FIANNA FAIL LTD

Company No. 05473573

Date of Incorporation: 7 June 2005

Nature of business: SIC 03 – 7499 Non-trading company

Registered office: 10 Cromwell Place, South Kensington, London SW7 2JN.

FINE GAEL LTD

Company No. 05473574

Date of Incorporation: 7 June 2005

Nature of business: SIC 03 – 7499 Non-trading company

Registered office: 10 Cromwell Place, South Kensington, London SW7 2JN.

Legal Secretaries Ltd of 10 Cromwell Place, South Kensington, London SW7 2JB was in each case appointed to act as company secretary with effect from the date of incorporation. In each case, Mr. Melly became a director of the company on incorporation and thereafter remained its one and only recorded director. He and the companies had and have no connection or association with the political organisations Sinn Fein, Fianna Fail and Fine Gael.

3. On 11 July 2005 Mr. Melly applied in his own name² to register the denomination **FIANNA FAIL** as a trade mark for use in the United Kingdom in relation to:

² United Kingdom Trade Mark Application No. 2396543.

Class 31

Fresh fruit, vegetables and salad, potatoes, tomatoes, malt, all the produce of Ireland, lemons, bananas.

Class 35

Business administration, office functions.

On the same day he applied in his own name³ to register the denomination **FINE GAEL** as a trade mark for use in the United Kingdom in relation to:

Class 35

Business administration, office functions.

4. Subsequently, on 13 July 2005, he applied in his own name⁴ to register the denomination **SINN FEIN** as a trade mark for use in the United Kingdom in relation to:

Class 31

Fresh fruit, vegetables and salad, potatoes, tomatoes, malt, all the produce of Ireland, lemons, bananas.

Class 35

Business administration, office functions.

This application proceeded to registration on 23 December 2005.

³ United Kingdom Trade Mark Application No. 2396544.

⁴ United Kingdom Trade Mark Application No. 2396733.

5. On 20 July 2005 Fianna Fail Ltd (Company No. 05473573) applied⁵ to register the denomination **FIANNA FAIL** as a Community trade mark for use in relation to:

Class 31

Agricultural, horticultural, forestry products and grains not included in other classes, live animals, fresh fruits and vegetables, seeds, natural plants and flowers; foodstuffs for animals; malt.

Class 35

Advertising; business management; business administration; office functions.

Class 41

Education, providing of training, entertainment, sporting and cultural activities.

On the same day Fine Gael Ltd (Company No. 05473574) applied⁶ to register the denomination **FINE GAEL** as a Community trade mark for use in relation to:

Class 35

Advertising, business management, business administration; office functions.

Class 41

Education, providing of training, entertainment, sporting and cultural activities.

⁵ Community Trade Mark Application No. 4565123.

⁶ Community Trade Mark Application No. 4565107.

6. The Community Trade Mark Application filed by Fianna Fail Ltd (Company No. 05473573) was opposed⁷ by Fianna Fail (the political party) under Article 8(4) of the Community Trade Mark Regulation, which provides that:

4. Upon opposition by the proprietor of a non-registered trade mark or of another sign used in the course of trade of more than mere local significance, the trade mark applied for shall not be registered where and to the extent that, pursuant to the Community legislation or the law of the Member State governing that sign:
 - (a) rights to that sign were acquired prior to the date of application for registration of the Community trade mark, or the date of the priority claimed for the application for registration of the Community trade mark;
 - (b) that sign confers on its proprietor the right to prohibit the use of a subsequent trade mark.

and also under Articles 8(1) and 8(2)(c) of the Community Trade Mark Regulation, which provide that:

1. Upon opposition by the proprietor of an earlier trade mark, the trade mark applied for shall not be registered:
 - (a) if it is identical with the earlier trade mark and the goods or services for which registration is applied for are identical with the goods or services for which the earlier trade mark is protected;
 - (b) If because of its identity with or similarity to the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected; the likelihood of confusion includes the likelihood of association with the earlier trade mark.

⁷ Opposition No. B 1,002, 221.

2. For the purposes of paragraph 1, “Earlier trade marks” means:

- (a) ...
- (b) ...
- (c) trade marks which, on the date of application for registration of the Community trade mark, or, where appropriate, of the priority claimed in respect of the application for registration of the Community trade mark, are well known in a Member State, in the sense in which the words “well known” are used in Article 6bis of the Paris Convention.

In a decision issued on 15 January 2008, the Opposition Division of the Community Trade Marks Office rejected the opposition in its entirety for lack of evidence sufficient to establish the rights claimed by the opponent.

7. The Community Trade Mark Application filed by Fine Gael Ltd (Company No. 054735574) was likewise opposed⁸ by Fine Gael (the political party) under Article 8(4) and Articles 8(1) and 8(2)(c) of the Community Trade Mark Regulation. In a decision issued on 18 December 2007, the Opposition Division of the Community Trade Marks Office likewise rejected the opposition in its entirety for lack of evidence sufficient to establish the rights claimed by the opponent.

The motives and intentions of the applicant

8. It is obvious that Mr. Melly and the companies under his control wanted to acquire rights over the denominations **SINN FEIN**, **FIANNA FAIL** and **FINE GAEL** because they were the names of major political organisations established in Ireland.⁹ But what did

⁸ Opposition No. B 1,002, 080.

⁹ and also in Northern Ireland in the case of Sinn Fein.

he and his companies hope to achieve by doing so? There is evidence as to that in the letters to which I shall now refer.

9. ALG (Clerks) Ltd of 10 Cromwell Place, South Kensington, London SW7 2JN wrote to the General Secretary of Fine Gael on behalf of Fine Gael Ltd (Company No. 5473574) on 28 July 2005 claiming rights enforceable against use of the denomination **FINE GAEL** and subsequently wrote to the General Secretary of Fianna Fail on behalf of Fianna Fail Ltd (Company No. 5473573) on 11 August 2005 claiming rights enforceable against use of the denomination **FIANNA FAIL**. The letters informed the addressees that ALG (Clerks) Ltd was *'a legal intermediary between members of the public and members of the English Bar who accept direct public access work. It is not a firm of solicitors.'*¹⁰

10. The letter sent to the General Secretary of Fine Gael stated as follows:

Re: Fine Gael Limited

We are instructed by Fine Gael Limited, a Company registered in England under registration number 05473574.

The Company has recently filed an application to register the name "Fine Gael" with the UK Patent Office and the European Trade Mark Office as a Trade Mark.

Our client is now planning to commence trading in England, Northern Ireland and the Republic of Ireland in the name of Fine Gael Limited and intends to fully enforce its rights as the proprietor of the trademark.

It would appear to our client that your party may inadvertently breach the terms of the trademark and it would not wish to see your client embarrassed by having to make any public retractions or apologies to our client. Our client

¹⁰ I was informed that ALG (Clerks) Ltd had formed the companies for Mr. Melly and that the letters claiming rights on behalf of the companies had been drafted by Counsel representing him at the hearing of the appeals: Transcript p.48, lines 2 to 8 and 20 to 22.

would also not wish to put the party into a position whereby it is forced to change its name in some material way.

Our client would wish to enter into negotiations with your party for the grant of a license for the use of the trademark “Fine Gael” and would hope that this is of interest to your party.

These statements were repeated mutatis mutandis in the letter sent to the General Secretary of Fianna Fail.

11. There is no suggestion that the proposed licences were to be royalty free. It thus appears that directly and indirectly through the companies he controlled, Mr. Melly was trying to take advantage of the procedures for registering trade marks and company names as a way of extracting economic value from the political denominations **FIANNA FAIL** and **FINE GAEL**. I think that is apparent not only from the letters sent to the General Secretaries of Fianna Fail and Fine Gael, but also from a letter sent to the Registry by Mr. Melly during the pendency of the present appeals¹¹ in which he said: *‘I have never tried to extract any money from either of the political parties other than granting them a licence to use the name which is quite legitimate should my applications be successful and in the event of me not using the names for my own trading intentions’*. At least so far as Mr. Melly was concerned, the political denominations **FIANNA FAIL** and **FINE GAEL** had an economic value which could be captured and exploited by means of corresponding trade mark and company name registrations in the United Kingdom.

¹¹ letter dated 19 September 2007 from Mr. Melly to the Registry’s Hearings and Appeals Team Leader.

12. He additionally appears to have been driven by a desire to make some kind of political capital out of the registration of the denominations as trade marks and company names. That is apparent from letters he has sent to the Treasury Solicitor's Department indicating¹² that he would seek to ensure that one in three public appointments in Ireland were filled from within the United Kingdom '*should I have influence in Ireland re the trademark status of the names Fianna Fail and Fine Gael*' and further indicating¹³ that '*...in the event of me being awarded trademark status for the names it is not cut and dried that I would exclusively want to trade under those names at the moment as I could be swayed into granting interested parties a licence to use those names. Should I grant a licence for the use of the names to political parties then I would envisage that certain conditions be taken into consideration in exchange for my co-operation. These conditions would have political overtones.*'

13. In accordance with the requirements of Section 32(3) of the Trade Marks Act 1994, the applications to register the denominations **FIANNA FAIL** and **FINE GAEL** as trade marks in the United Kingdom were supported by declarations to the effect that the denominations were either being used by or with the consent of Mr. Melly in relation to goods and services of the kind for which registration was requested or that he had a bona fide intention that they should be so used.

14. I indicated at the hearing of the appeals that I would be willing to exercise my powers under Rules 57 and 65(4) of the Trade Marks Rules 2000 to require Mr. Melly to provide clarification as to what he does for a living and what he was hoping to achieve if

¹² letter sent by fax on 10 January 2008.

¹³ letter of 11 January 2008.

the General Secretaries of Fianna Fail and Fine Gael had responded as he wanted to the letters referred to in paragraph 10 above. This was opposed by Fianna Fail and Fine Gael. In view of their insistence on determination of the oppositions without clarification of those matters, I made no order for the provision of further information.

15. The consequence of that is as follows. On the basis of the pleadings and evidence as they stand, it must be assumed that Mr. Melly did intend to arrange for the denominations **FIANNA FAIL** and **FINE GAEL** to be used as trade marks in the United Kingdom in accordance with the declarations made under Section 32(3) of the 1994 Act. That would, as I have noted above, be use with a view to exploiting the economic value of the political denominations. His efforts to make some kind of political capital out of the registrations would, on that assumption, be augmented by such use.

The objections to registration

16. The Notices and Grounds of Opposition filed on behalf of Fianna Fail and Fine Gael raised parallel objections in essentially the same terms to Mr. Melly's applications for registration under the 1994 Act. Objections were raised:

- (1) by reference to Section 56 of the Act on the basis that the denominations **FIANNA FAIL** and **FINE GAEL** had acquired the status of well known trade marks in the United Kingdom;
- (2) under Section 5(4)(a) of the Act by virtue of the law of passing off;

- (3) under Section 3(3)(b) of the Act because the denominations were such as to deceive the public in relation to the goods and services for which registration had been requested;
- (4) under Section 3(6) of the Act on the basis that the applications for registration had been made in bad faith.

17. I pause at this juncture to observe that no objections were raised under Section 3(3)(a) of the Act. This prevents the registration of trade marks which can properly be regarded as '*contrary to public policy or to accepted principles of morality*'. The corresponding provision of the Community Trade Mark Regulation¹⁴ has been used as a basis for excluding the names of public and political personages and organisations from registration.¹⁵ The treatment of such names as non-marks continues to be debated¹⁶ and the scope of the exclusion from registration remains unclear. It was confirmed at the hearing before me that Fianna Fail and Fine Gael were not at this stage seeking to raise objections to the registration of their names as trade marks under Section 3(2)(a) of the Act.¹⁷

18. I should add that there is no pleading or evidence raising any defence to the effect that Mr. Melly's intended use of the denominations **FIANNA FAIL** and **FINE GAEL** as trade marks would be (or be confined to) use of the kind which might be regarded as a

¹⁴ Article 7(1)(f).

¹⁵ The list of names refused under Article 7(1)(f) includes: Johannes Paul II, Bill Clinton, Fidel Castro, Iparretarak Rekords (Iparretarak being the name of an organisation declared illegal in Spain in 1978) ETA and Al Aqsa Cola.

¹⁶ See Jeremy Phillips and Ilanah Simon No Marks for Hitler : A Radical Reappraisal of Trade Mark Use and Political Sensitivity [2004] EIPR 327 and Caspar P.L. van Woensel Führer Wines at your Local Store : Legal Means against Commercial Exploitation of Intolerable Portrayals [2005] EIPR 37.

¹⁷ Transcript, p.46 line 18 to p.47 line 21.

legitimate exercise of the right to freedom of expression for the purposes of social or political comment under Article 10 ECHR.¹⁸

The evidence in support of the oppositions

19. The evidence filed on behalf of Fianna Fail consisted of a Witness Statement of Seán Dorgan with 8 Exhibits dated 4 July 2006. Mr. Dorgan is the General Secretary of Fianna Fail. His evidence with regard to the activities of Fianna Fail was as follows:

2. Fianna Fail is the largest, most representative and most successful political party in the history of Ireland. The Party was established in 1926 and the first Fianna Fail government was elected in Ireland in 1932. The Fianna Fail party has had an average party membership of approximately 50,000 for the past five years and there are 3,000 branch units of the party throughout Ireland. Now produced and shown to me is a copy of the National Policy outlined by Eamon de Valera as delivered on 16 May 1926 and attached hereto as **Exhibit SD1**. This document sets out the political objectives, ideals and principles of the Fianna Fail political party shortly after the party was constituted.
3. Since the party was founded, I confirm that the Party has used the Fianna Fail name extensively and continuously. Now produced and shown to me are copies of the front pages of the 1977, 1979 and 1981 editions of the Irish Fianna Fail Party Journal and attached here to as **Exhibit SD2** evidencing use of the Fianna Fail name.
4. The Party has used the Fianna Fail name in respect of a range of services of the kind ordinarily provided by a political party. The definition of “political party” as provided by the online dictionary, Dictionary.com, is “an organization to gain political power”. It is not possible to find a definition which encapsulates the

¹⁸ cf the judgment of the Supreme Constitutional Court of South Africa in Laugh It Off Promotions CC v. South African Breweries (Finance) BV 27 May 2005.

range of services provided by political parties but I believe that the general public is aware of the activities and issues that form the crux of a party's political agenda and which must be addressed in order for a party to secure a seat in government. This information is widely publicised in various forms of media and it goes without saying that politics is a hotly debated topic amongst the general public.

5. Political parties deal with issues relating to finance, trade, employment, agriculture, food and rural development, the environment, defence and community affairs as part of their political agenda. These issues change and develop over time according to the current social climate and it often occurs that issues that were of little importance ten years ago become more relevant in the present day. It is therefore not possible to provide a comprehensive list of the activities that my political party has been involved in or used in connection with the Fianna Fail name over the years. Now produced and shown to me are Extracts from our party's conference literature titled "A better Ireland for all" in 2000 and "Meeting the Challenge" in 2004 and "Unity, Prosperity, Community" in 2005 and attached here to as **Exhibit SD3**. This literature merely provides a glimpse of the range of proposals that our party has addressed and considered under the political banner of Fianna Fail and is not intended to be conclusive.
6. As a result of the Fianna Fail political party's activities since it was founded, I believe that the Fianna Fail name has become extremely well known and enjoys a substantial reputation and goodwill worldwide. I believe that the Fianna Fail name is particularly well known in the UK as this country has been culturally and politically inextricably linked to the Republic of Ireland for a number of centuries. Now produced and shown to me is a copy of two publications titled The Nation (Issue II and Issue IV, 2005) and Grassroots (Issue 6, 2005) attached here to as **Exhibit SD4**. The Nation is circulated to all party members and Grassroots is made available to all members of Fianna Fáil's youth movement – Ógra Fianna Fail with the purpose of maintaining and creating awareness of the activities of Fianna Fáil.

7. I consider that the recognition of Fianna Fail in Northern Ireland will be undoubted given its close geographic and political history and the significant percentage of Irish living in the UK will confirm wide recognition of this name throughout the country. Given Fianna Fáil's stated aim of achieving, through peaceful means, the unification of Ireland I submit that the name has become inextricably linked in the minds of those living in close proximity – namely in Northern Ireland and Britain and use of the name will inevitably evoke or call to mind the activities of the political party Fianna Fail. Furthermore, in so far as it is the stated policy of Ógra Fianna Fáil to organise (Fianna Fáil) as a political party in Northern Ireland, the identity and uniqueness of the Party must be guarded.

20. The evidence filed on behalf of Fine Gael consisted of a Witness Statement of Tom Curran with 10 Exhibits dated 5 July 2006. Mr. Curran is the General Secretary of Fine Gael. He confirmed that Fine Gael is an Irish registered political party. His evidence with regard to the activities of Fine Gael was as follows:

2. Fine Gael was established as an independent party in 1933 as successor to the Cumann na nGaedhael party which had, up until that time, been the party in Government since 1922 when the State gained its independence. Now produced and shown to me is a copy of a publication titled "Past, Present, Future" attached hereto as **Exhibit TC1**. This document provides an overview of the commencement and development of the Fine Gael party and its leaders and representatives.
3. Now produced and shown to me is a document titled "Distribution of Seats & Share of the First Preference Vote 1918-2002" attached hereto as **Exhibit TC2**. The column marked "FG" refers to the percentage of seats held by Fine Gael over this period and is an indication of the party's position in Government. I understand that the current party membership of Fine Gael is approximately 36,000.

4. Since the date of its establishment, Fine Gael has used the FINE GAEL name continuously. Now produced and shown to me are copies of publications titled “Eire Ireland 1922-1997 A Salute to the Founders of a Free and Independent Ireland” and “Fine Gael 1923-1987” which illustrate the developments over this time marked as **Exhibit TC3**.
5. As a result of Fine Gael political party’s activities since it was established, the FINE GAEL name has become extremely well known and the political party enjoys a substantial reputation and goodwill worldwide, in particular in the UK which has been culturally and politically inextricably linked to the Republic of Ireland for a number of centuries. The recognition of FINE GAEL in Northern Ireland will be undoubted given its close geographic and political history, and further, the significant percentage of Irish living in the UK will confirm wide recognition of this name throughout the country.
6. Given Fine Gael’s history, we submit that the name has become inextricably linked in the minds of the relevant public in the UK such that use of the name inevitably evokes or calls to mind, the activities of this political party.
7. The party has used the Fine Gael name in respect of a range of services of the kind provided by a political party. The definition of “political party” as provided according to the online dictionary, Dictionary.com, is “an organization to gain political power”. It is not possible to find a definition which encapsulates the range of services provided by political parties but I believe that the general public is aware of the activities and issues that form the crux of a party’s political agenda and which must be addressed in order for a party to secure a seat in government. This information is widely publicised in various forms of media and it goes without saying that politics is a hotly debated topic amongst the general public. Now produced and shown to me are copies of election materials used in 1954, 1977 and 1981 marked as **Exhibit TC4**. These documents illustrate the political ideals and objectives of the party over this period and refer to issues such as taxation, employment, emigration, community services,

agricultural and sports issues and serve to illustrate the numerous activities performed under the Fine Gael banner. More recent activities are set out in the publications titled “Fine Gael – Securing your future (1997)” and “Fine Gael – Visible Justice (2002)” and these are attached hereto marked as **Exhibit TC5**. These publications again provide a flavour of the range of objectives and ideals that the Fine Gael party consider key in its political agenda. You will note that the scope of topics has expanded over time to cover topics which have become more pertinent such as “drugs” and criminal issues such as “sex offenders”. Now produced and shown to me is a copy of a publication titled “21st Century Fine Gael” marked as **Exhibit TC6**. You will note that the Appendices to this publication detail the percentage of seats secured by Fine Gael over the period 1922-2002 against a share of first preference votes.

8. As a result of the Fine Gael political party’s activities since it was founded, I believe that the Fine Gael name has become extremely well known and enjoys a substantial reputation and goodwill worldwide. I believe that the Fine Gael name is particularly notorious in the UK as this country has been culturally and politically inextricably linked to the Republic of Ireland for a number of centuries.
9. I also consider that the recognition of FINE GAEL in Northern Ireland will be undoubted given its close geographic and political history and the significant percentage of Irish living in the UK will confirm wide recognition of this name throughout the country. Given Fine Gael’s history, I submit that the name has become inextricably linked in the minds of the relevant public in the UK and use of the name will inevitably evoke or call to mind the activities of the political party Fine Gael.

21. I infer from the evidence of the General Secretaries that the names **FIANNA FAIL** and **FINE GAEL** were put forward for protection as assets owned and controlled

collegiately by the members of their organisations.¹⁹ In each case protection is claimed on the basis that the name has been used for the purpose of identifying activities that the opponent organisation has undertaken in furtherance or support of its political aims and objectives. However, the evidence of the General Secretaries focuses more upon public awareness of the organisations than it does upon the activities that have been undertaken in furtherance or support of their aims and objectives²⁰. There is also an acute lack of information as to the nature and extent of any such activities in the United Kingdom.

22. I asked the opponents to list their political activities by reference to the appropriate descriptions in the alphabetical list of goods and services used for the purposes of the Nice classification²¹. They were given 14 days following the hearing in which to do so. What they sent me was something different: *'An identification from the WIPO alphabetical list, appropriate goods/services we believe a political party could potentially provide'*. That leaves me in the difficulty I mentioned at the hearing of not being able to identify any particular services or goods which the opponent organisations can confidently be said to have been engaged in supplying.

23. The opponents were specifically required²² to prove the level of recognition given to their organisations in the United Kingdom. Their evidence with regard to that issue lacked substantiation. As can be seen from the written testimony set out above, the evidence of the General Secretaries consisted largely of pronouncements upon the matters

¹⁹ The usual practice would have been for the proceedings to be brought by an appropriate officer of the organisation as representing himself and all other members for the time being of the relevant unincorporated association cf. Artistic Upholstery Ltd v. Art Forma (Furniture) Ltd [2000] FSR 311.

²⁰ Counsel for the opponents acknowledged that the evidence is not directed to trading activity or quasi-trading activities: Transcript p.18 lines 2, 3.

²¹ Transcript p.57 lines 14 to 22 following on from p.15 line 23 to p.19 line 5.

²² by Mr. Melly in his Counter Statements at paragraphs 1 and 2.

which needed to be proved. Their pronouncements were generally expressed in similar terms, with the language in which they were expressed having been taken directly from the Statements of Grounds of Opposition where the same general assertions had likewise been made in similar terms. The main problem with the evidence was that it did not provide the decision taker with documents and data of the kind required to enable him or her to arrive at an independent and properly informed conclusion on the issue of recognition in the United Kingdom. The fact that Mr. Melly defended the oppositions without filing any evidence in support of his position did not relieve the opponents of the burden of persuasion in relation to the objections upon which they relied.

24. The extent to which people in the United Kingdom are likely to have been familiar with the use of the names **FIANNA FAIL** and **FINE GAEL** in connection with the activities of the opponent organisations is an important factor in the assessment of the grounds of opposition. I accept that there is likely to have been a substantial degree of awareness among the population of Northern Ireland. There may also have been appreciable degrees of awareness elsewhere in the United Kingdom as a result of migration under the relatively open arrangements with Ireland that have operated more or less continuously since 1923. Awareness can additionally be expected to have resulted from current and retrospective coverage of Irish political events in printed and other media. It can properly be inferred that there was sufficient public awareness to make it worthwhile for Mr. Melly to take the steps that he did with a view to exploiting the economic value of the political denominations **FIANNA FAIL** and **FINE GAEL** in the United Kingdom. However, the level of awareness cannot satisfactorily be gauged on the basis of the evidence on file.

25. In their pleadings, the opponents maintained²³ and Mr. Melly denied²⁴ that his intended use of the denominations **FIANNA FAIL** and **FINE GAEL** in relation to goods and services of the kind specified in the opposed applications for registration would be damaging to the goodwill they claimed for those denominations in the United Kingdom. The evidence of the General Secretaries relating to this issue was slight. They each expressed a belief in the prospect of damage. Having done so, they asserted that it was sufficient to show a probability of damage in order to establish liability in passing off.²⁵ They said nothing as to the particular harm they envisaged. In short, the risk of damage to goodwill in the United Kingdom was treated as self-evident.

No 'earlier trade mark' objections

26. Section 5 of the 1994 Act enables oppositions to registration on relative grounds to be based either upon '*earlier trade marks*' as defined in Section 6 or '*earlier rights*' as defined in Section 5(4)(a).

27. By virtue of Section 6(1)(c), the expression '*earlier trade mark*' includes:

a trade mark which, at the date of application for registration of the trade mark in question...was entitled to protection under the Paris Convention or the WTO Agreement as a well known trade mark.

That is supplemented by Section 56(1) of the Act, which provides as follows:

References in this Act to a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark are to a mark which is

²³ paragraph 7 of their respective Statements of Grounds of Opposition.

²⁴ in his Counter Statements at paragraphs 3 and 7.

²⁵ Witness Statement of Seán Dorgan, paragraphs 11 and 26. Witness Statement of Tom Curran, paragraphs 13 and 28.

well-known in the United Kingdom as being the mark of a person who –

- (a) is a national of a Convention country, or
- (b) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,

whether or not that person carries on business, or has any goodwill, in the United Kingdom.

References to the proprietor of such a mark shall be construed accordingly.

It is thus possible for an unregistered mark which is entitled to protection as a '*well known trade mark*' to be relied on as an '*earlier trade mark*' for the purposes of an opposition to registration on relative grounds under Sections 5(1), 5(2) and 5(3) of the Act.

28. The expression '*earlier right*' as defined in Section 5(4)(a) covers rights which can be asserted:

by virtue of any rule of law...protecting an unregistered trade mark or other sign used in the course of trade.

That would appear to embrace the right to claim protection under Section 56(2) of the Act in respect of a locally unregistered trade mark which has become entitled to protection under the Paris Convention or the WTO Agreement as a '*well known trade mark*' in accordance with the provisions of Section 56(1). The right conferred by Section 56(2) in relation to the well known (albeit locally unregistered) trade mark is in that case a right:

to restrain by injunction the use in the United Kingdom of a trade mark which, or the essential part of which, is identical or similar to his mark, in relation to identical or similar goods or services, where the use is likely to cause confusion.

There is no requirement for the claimant to establish any separate or additional risk or likelihood of harm.

29. In the present case the opponents raised no objections to registration under Sections 5(1), 5(2) or 5(3) of the Act. It follows that their objections by reference to the provisions of Section 56(2) were not based on ‘*an earlier trade mark*’ within the meaning of Section 6(1)(c). So they must have been based on a claim for protection of an ‘*earlier right*’ within the meaning of Section 5(4)(a). The criteria for determining whether the objection was well-founded were accordingly those identified in Sections 5(4)(a), 56(1) and 56(2).

Sections 5(4)(a), 56(1) and 56(2): well known trade marks

30. The principal issues to be determined in accordance with those criteria were:
- (1) whether the opponent organisations were nationals of or domiciled in or had a real and effective industrial or commercial establishment in a Convention country (other than the United Kingdom); and if so
 - (2) whether the denominations **FIANNA FAIL** and **FINE GAEL** were unregistered trade marks used in relation to services or goods connected in the course of trade with those organisations; and if so
 - (3) whether the unregistered trade marks had become well known in the United Kingdom as being their trade marks for such services or goods; and if so
 - (4) whether the opposed applications for registration covered trade marks identical or similar to the unregistered trade marks and services or goods identical or similar to

those for which the unregistered trade marks had previously become well known in the United Kingdom; and if so

- (5) whether the similarities (in terms of marks and services or goods) would have combined to give rise to the existence of a likelihood of confusion if at the date of the opposed applications for registration Mr. Melly had begun to use the trade marks in question across the United Kingdom in relation to services and goods of the kind for which registration had been requested.

31. In his decision in Le Mans Trade Mark²⁶ Mr. Richard Arnold QC identified the many variables that need to be weighed and assessed when deciding whether a denomination is entitled to protection as a well known trade mark. It is clear from the analysis he provides that this is from beginning to end a question of fact and degree. The ECJ has confirmed that spatially a trade mark must be well known throughout the United Kingdom or in a substantial part of it in order to qualify for protection as an '*earlier trade mark*' within the scope of Section 6(1)(c) of the 1994 Act.²⁷ I would also expect that to be necessary in order to sustain a claim based upon an '*earlier right*' within the scope of Sections 5(4)(a), 56(1) and 56(2) of the Act.

32. The Hearing Officer was willing, on the basis that Ireland was a Convention country, to determine the first of the 5 issues noted in paragraph 30 above in favour of the opponents. In relation to the second of the 5 issues, he found no proof of use of the denominations **FIANNA FAIL** and **FINE GAEL** as unregistered trade marks for any goods or services. Having directed himself by reference to the Le Mans Trade Mark

²⁶ BL O-012-05 (8 November 2005) at paragraphs 55 to 61.

²⁷ Case C-328/06 Alfredo Nieto Nuno v. Leonci Monlleo Franquet (22 November 2007).

decision, he found in relation to the third of the 5 issues that the evidence on file was in any event insufficient to establish that the denominations had become well known trade marks in the United Kingdom. In the light of these findings, the fourth and fifth of the 5 issues could not be determined in favour of the opponents and the objections to registration had to be dismissed.

33. For the reasons given in paragraphs 19 to 24 above, I am satisfied that it was open to the Hearing Officer to dismiss the extended objections under Section 5(4)(a) on the basis that he did.

Section 5(4)(a): passing off

34. The opponents further contended that registration should be refused under Section 5(4)(a) because they had an '*earlier right*' by virtue of the law of passing off to prevent Mr. Melly from using the denominations **FIANNA FAIL** and **FINE GAEL** in the manner envisaged by the opposed applications. The thrust of the objection was that his use of those denominations in that manner would implicate the opponent organisations in business activities they had not authorised, could not control and were not responsible for. It was correctly pointed out that the law of passing off enables political and charitable organisations, no less than it enables professional and commercial organisations, to prevent the propagation of misrepresentations of that kind²⁸.

35. I accept that people familiar with the use of the names **FIANNA FAIL** and **FINE GAEL** in connection with the political activities of the opponent organisations might well believe that they had (wisely or unwisely) decided to become involved in fund raising via

²⁸ See Burge v. Haycock [2001] EWCA Civ. 900; [2002] RPC 28 and Wadlow The Law of Passing Off 3rd Edn. (2004), paras. 3-28 to 3-53.

the commercial activities that Mr. Melly proposes to embark upon. Given his desire to capture and exploit the economic value of their political denominations, I am not minded to dwell on the question of how easy or difficult it might be for him to accomplish that objective over the range of services and goods specified in the opposed applications for registration. It is appropriate for present purposes to anticipate success in the achievement of what he wants to achieve.

36. That would be enough to justify a finding in favour of the opponent organisations under Section 5(4)(a) if they could show that they were the proprietors of a goodwill established through use of the denominations **FIANNA FAIL** and **FINE GAEL** as distinguishing indicia for activities undertaken in furtherance or support of their political aims and objectives among people forming part of the population of the United Kingdom. It was necessary for them to prove that the ‘footprint’ of their organisational activities extended beyond Ireland to the United Kingdom, in order to entitle them to maintain a claim to protection in this country under the law of passing off.

37. The Hearing Officer found against them for lack of evidence on that point. He said:

...I have nothing on which to say that they are well known, but even if they are well known, being known is not the same as possessing goodwill. I have no evidence that relates to the circulation of any of their publications within the UK, that shows them to have conducted fundraising activities within the UK or that establishes the party has a single UK based member, fee paying or otherwise. In short, I do not see how they can be said to have any goodwill within the UK...

Although he referred to the reasoning of the Court of Appeal in Kean v. McGivan²⁹ without taking account of the qualifications placed upon it by the Court of Appeal in the case of Burge v. Haycock³⁰, the judgments in the latter case do not affect the validity of the basic propositions to which he actually gave effect in his decision.

38. Those propositions can be summarised as follows. In Star Industrial Company Ltd. v. Yap Kwee Kor³¹ Lord Diplock confirmed that:

Goodwill, as the subject of proprietary rights, is incapable of subsisting by itself. It has no independent existence part from the business to which it is attached. It is local in character and divisible; if the business is carried on in several countries a separate goodwill attaches to it in each.

The principle was affirmed by the Court of Appeal in Anheuser Busch Inc v. Budejovicky Budvar NP³² and reaffirmed by the Court of Appeal in Colgate Palmolive Ltd v. Markwell Finance Ltd³³. It was further affirmed in the Anheuser Busch case that a foreign entity with a trading reputation unalloyed to a goodwill generated by business activities which extend to the United Kingdom is not entitled to maintain an action for passing off in this country.³⁴ It is ownership of the goodwill of the business entitled to protection in the United Kingdom which gives the owner the right, enforceable by means of an action for passing off, to prevent others from using trade marks or trade names identical or similar to his own in the United Kingdom.³⁵

²⁹ [1982] FSR 119.

³⁰ [2001] EWCA Civ. 900; [2002] RPC 28 at paragraphs 50 to 63 per Brooke LJ and paragraphs 66 to 69 per Hale LJ.

³¹ [1976] FSR 256 (PC) at 269.

³² [1984] FSR 413 at 464, 465 per Oliver LJ, at 471 per O'Connor LJ and at 476 per Dillon LJ.

³³ [1989] RPC 497 at 508 per Slade LJ and at 531 per Lloyd LJ.

³⁴ [1984] FSR 413 at 465 to 467 per Oliver LJ, at 471 per O'Connor and at 476 per Dillon LJ.

³⁵ GE Trade Mark [1973] RPC 297 (HL) at 325, 326 per Lord Diplock.

39. It seems likely that these restrictions on the scope and availability of the action for passing off have their origins in the old rule³⁶ that injury to property could, but injury only to reputation could not, be redressed by means of a claim for equitable relief in the Court of Chancery, where the law relating to the protection of trade marks was developed and refined over the decades prior to the enactment of the first trade registration statute in 1875. In GE Trade Mark³⁷ Lord Diplock observed that ‘legal recognition of trade marks as a species of incorporeal property was first accorded by the Court of Chancery in the first half of the nineteenth century. It may be said to have been established by Lord Cottenham in Millington v. Fox (1838) 3 My & Cr 338. A right of property of this character calls for an accommodation between the conflicting interests of the owner of the monopoly, of the general public as purchasers of goods to which the trade mark is affixed, and of other traders. This accommodation had substantially been worked out by the Court of Chancery by 1875’. In order to claim a proprietary right to protection of a trade mark it was necessary to prove use of the mark in commerce.³⁸ In particular, it was necessary to prove use in commerce in England in order to claim a proprietary right to

³⁶ In Clark v. Freeman (1848) 11 Beav 112 a very eminent physician, Sir James Clark, sought an injunction to restrain the defendant from advertising and selling a quack medicine as ‘Sir J. Clark’s Consumption Pills’. Lord Langdale MR refused to grant the injunction. Having said ‘My notion is that the Court can interfere in cases of mischief being done to property by the fraudulent misuse of the name of another, by which his profits are diminished’ (p.117) he declined jurisdiction on the basis that the claim involved injury to reputation rather than injury to property: ‘I cannot grant this injunction. The case of the Defendant is disgraceful; but I think the granting of the injunction in this case would imply that the Court has jurisdiction to stay the publication of a libel, and I cannot think it has’ (p.119). The 19th century case law in which that distinction was established and maintained is examined by Roscoe Pound in Equitable Relief against Defamation and Injuries to Personalty 29 Harv L. Rev 640 (1915-1916).

³⁷ [1973] RPC 297 (HL) at 325, 326.

³⁸ In McAndrew v. Bassett (1863-65) 4 De G. J. & S 380 at 384, 385 Lord Westbury LC identified the ingredients for infringement of the property in a trade mark as ‘first, that the mark has been applied by the Plaintiffs properly, (that is to say) that they have not copied any other person’s mark, and that the mark does not involve any false representation; secondly, that the article so marked is actually a vendible article in the market; and thirdly, that the Defendants, knowing that to be so, have imitated the mark for the purpose of passing in the market other articles of a similar description’.

prevent a rival trader from using an identical or similar mark in commerce in England.³⁹ In AG Spalding & Bros v. AW Gamage Ltd⁴⁰ the House of Lords held that the property which qualified for protection was not the trade mark per se, but the goodwill of the business to which it was appurtenant.⁴¹

40. There has been persistent pressure for the goodwill requirement to be relaxed in favour of foreign traders wishing to ensure that they are not pre-empted in the extension of their trade mark rights to the United Kingdom. Section 56(2) of the Act goes some way to assist them, but the requirement for locally situated goodwill continues to be enforced with varying degrees of rigour in the context of claims for passing off in this country⁴². The requirement is just as much part of the law now as it was in 1990 when the Vice-Chancellor Sir Nicolas Browne-Wilkinson criticised it, but found it binding upon him, in Pete Waterman Ltd. v. CBS United Kingdom Ltd⁴³

41. The courts have endeavoured to protect the interests of foreign trade mark proprietors on the basis of limited user in the United Kingdom. In Jian Tools For Sales Inc. v. Roderick Manhattan Group Ltd.⁴⁴ Knox J. held that a foreign claimant had an arguable case for claiming that it had a protectable goodwill in the United Kingdom acquired through overspill advertising that could well have resulted in purchases of its

³⁹ Maxwell v. Hogg (1867) LR 2 Ch 307 (Court of Appeal in Chancery); Licensed Victuallers' Newspapers Company v. Bingham (1888) 38 Ch. D 139 (CA).

⁴⁰ (1915) 32 RPC 273 at 284 per Lord Parker of Waddington.

⁴¹ The Supreme Court of the United States reached the same conclusion in Hanover Star Milling Co. v. D. D. Metcalf 240 US 403 (1916). Justice Pitney wrote at p.144: 'In short the trade mark is treated as merely a protection for the good will, and not the subject of property except in connection with an existing business'.

⁴² see Norma Dawson The Foreign Trade Mark Owner's Experience: An Absence of Goodwill in Trade Marks Retrospective, Perspectives on Intellectual Property Vol. 7 (2000) and Wadlow The Law of Passing Off 3rd Edn. (2004), paras 3-66 to 3-82.

⁴³ [1993] EMLR 27.

⁴⁴ [1995] FSR 924; see also Sprints Ltd v. Comptroller of Customs (Mauritius) (CHIPIE Trade Mark) [2000] FSR 814 (PC) at 818, 819 per Lord Clyde and Globelegance BV v. Sarkissian [1974] RPC 603 at 612, 613 per Templeman J.

products by customers based in the United Kingdom, taken together with the proven supply of approximately 127 units of product to persons based in the United Kingdom who could properly be regarded as direct customers of the claimant.

42. Reverting to the present case, I think it is apparent that the evidence filed on behalf of the opponent organisations was insufficient, even on a lenient approach to the common law requirement for a locally situated goodwill, to establish that they were entitled to maintain a claim to protection under the law of passing off. At best, it pointed to awareness of the denominations **FIANNA FAIL** and **FINE GAEL** unalloyed to anything classifiable as a goodwill in this country. I therefore consider that the Hearing Officer was entitled to dismiss this branch of the objection under Section 5(4)(a) on the basis that he did.

Section 3(3)(b): deception of the public

43. The objection to registration under Section 3(3)(b) of the Act depended upon the existence of a serious risk that use of the denominations **FIANNA FAIL** and **FINE GAEL** in the manner envisaged by the opposed applications would deceive consumers as to the nature or the attributes of the goods or services presented to them under and by reference to those denominations⁴⁵. Section 3(3)(b) prevents registration on the basis of ‘absolute’ rather than ‘relative’ deception. That is to say, it strikes at misrepresentations

⁴⁵ Case C-259/04 Elizabeth Florence Emanuel v. Continental Shelf 128 Ltd [2006] ECR I-3089 at paragraph 47.

as to *what* is being made available rather than misrepresentations as to *who* is responsible for making it available⁴⁶.

44. It can sometimes be difficult to determine whether the use of a particular denomination is liable to give rise to one or other or both types of deception. That is especially true in cases involving false suggestions of certification, accreditation or approval. The determination as to whether the objection applies does not depend upon whether the deception in question would be actionable at the suit of commercially aggrieved parties. There is nothing in Section 3(3)(b) or its legislative context which requires the decision taker to take account of the fact that the deception in question would either be actionable or non-actionable in civil or criminal proceedings. That must be so in circumstances where the objection to registration is intended to operate in the same way in different Member States regardless of differences between national laws governing consumer protection and the suppression of unfair competition⁴⁷.

45. In the grounds of opposition, the objection was in each case put upon the basis that Mr. Melly's intended use of the denominations **FIANNA FAIL** and **FINE GAEL** in relation to goods and services of the kind for which protection was requested would falsely represent that they were '*of a political nature having the characteristics and ideology of the Irish political party, or being affiliated with it*'. The reference to affiliation appears to have been intended to raise a case of 'relative' deception. The

⁴⁶ See paragraphs 57, 58 and 65 of the Opinion of Advocate General Ruiz Jarabo Colomer in Case C-259/04 Elizabeth Florence Emanuel (above), which would appear to have been endorsed by the ECJ in paragraph 50 of its judgment in that case; Philips Electronics NV v. Remington Consumer Products Ltd [1998] RPC 283 at 309 per Jacob J, point not considered on appeal at [1999] RPC 809; Kerly's Law of Trade Marks and Trade Names 14th Edn. (2005) at para. 8-204; Halsbury's Laws of England 4th Edn. Vol. 48 (2007 Reissue) para. 64, footnote 3.

⁴⁷ The sixth recital in the preamble to the Trade Marks Directive (89/104/EEC) confirms that the operation of national provisions relating to unfair competition and consumer protection is preserved.

references to ‘political nature’ and ‘characteristics and ideology’ appear to have been intended to raise a case of ‘absolute’ deception. However, the wording of the objections is unclear as to specifically what was being alleged in that connection.

46. The Hearing Officer observed that the extent to which the denominations might, in the United Kingdom, bring to mind the opponent organisations was an unknown quantity. He said that so far as he was aware, political parties did not offer goods or services of the kind specified in the opposed applications. Consequently, he saw no reason why there should be any deception in the mind of the consumer of such goods and services. He therefore dismissed the objections under Section 3(3)(b).

47. Before me it was contended⁴⁸ that the Hearing Officer should have upheld the opponents’ objections under Section 3(3)(b) on the basis that:

1. The names FIANNA FAIL/FINE GAEL were such that a significant proportion of people in the UK would be misled into associating any goods/services offered under them with the appellants because those words could not realistically import a reference to anyone or anything else;
2. Accordingly there would be a reasonable expectation on the part of the consumer that the appellants would be providing the relevant products or services;
3. There was a public interest in protecting consumers against such deception, because products and services offered under the mark would otherwise be able to attract custom on the back of consumers’ political sympathy with Fianna Fail/Fine Gael as the case may be. Moreover, any consequent public disappointment with those products services would reflect unfairly on the political reputation of the appellants.

⁴⁸ Appellants Skeleton Argument, para. 25.

48. The case for exclusion from registration was thus put upon the basis of ‘relative’ deception. I am willing, as I have already said, to accept that people in the United Kingdom who were familiar with the use of the names **FIANNA FAIL** and **FINE GAEL** in connection with the political activities of the opponent organisations might well believe that they had (wisely or unwisely) decided to become involved in fund raising via the commercial activities that Mr. Melly proposes to embark upon. However, that would not be ‘absolute’ deceptiveness of the kind required by Section 3(3)(b). It may or may not have been possible for the opponent organisations to establish a case for refusal of registration based on such deceptiveness. The evidence on file does not enable me to make a finding in their favour on that point. I therefore dismiss their appeals under Section 3(3)(b).

Section 3(6): bad faith

49. Section 3(6) of the 1994 Act implements the optional provisions of Article 3(2)(d) of the Trade Marks Directive. It enables applications for registration at the national level to be rejected (in the same way as Article 51(1)(b) of the Community Trade Mark Regulation enables applications for registration at the Community level to be invalidated) if and to the extent that they are found to have been made in bad faith. Bad faith is an absolute, hence free-standing, ground for refusal of registration. It can be raised in relation to matters arising between applicants and third parties as well as between applicants and the Registrar. Even after an application has proceeded to registration, it remains open to the Registrar to challenge the antecedent request for protection: Section 47(4) of the Act provides that ‘In the case of bad faith in the registration of a trade mark,

the registrar himself may apply to the court for a declaration of the invalidity of the registration’.

50. The focus of attention is the propriety of the applicant’s conduct. Not generally, but specifically in relation to his request for protection of the trade mark in question for the goods or services in question in the particular circumstances of the disputed application for registration. The relevant question is whether the applicant’s conduct should be regarded as improper in that connection.

51. The expression ‘bad faith’ has moral overtones which appear to make it possible for an application to be rendered unacceptable by behaviour otherwise involving no breach of any duty, obligation, prohibition or requirement that is legally binding on the applicant. The underlying concept is not amenable to exhaustive codification. However, I do not think it could be correct for courts and tribunals across the European Union to adopt divergent standards for the determination of ‘bad faith’ objections within the framework of the harmonised rules which now govern the protection of trade marks at the national and Community level. There is, as yet⁴⁹, no guidance from the supervising courts in Luxembourg as to the scope and application of such objections. In that state of affairs, I think it is necessary, in accordance with Section 3 of the European Communities Act 1972,⁵⁰ to have regard to the well-established principle⁵¹ that Community law should

⁴⁹ The pending order for reference in Case C-529/07 Chocoladefabriken Lindt & Sprüngli AG v. Franz Häuswirth GmbH requests guidance with regard to blocking and overreaching applications for registration in the context of the ‘first to apply, freedom to register’ principle.

⁵⁰ Section 3 of the European Communities Act 1972 (as amended) provides as follows:

- (1) For the purposes of all legal proceedings any question as to the meaning or effect of any ... Community instrument, shall be treated as a question of law (and, if not referred to the European Court, be for determination as such in accordance with the principles laid down by and any relevant decision of the European Court or any court attached thereto).
- (2) Judicial notice shall be taken of ... any decision of, or expression of opinion by, the European Court or any court attached thereto on any such question as aforesaid; ...

be interpreted and applied so as to confer no legitimacy on improper behaviour. In its judgment delivered on 20 September 2007 in Case C-16/05 The Queen (on the applications of Veli Tum and Mehmet Dari) v. Secretary of State for the Home Department the ECJ stated at paragraph 64:

... it must be borne in mind that, according to settled case-law, Community law cannot be relied on for abusive or fraudulent ends (Case C-255/02 *Halifax and Others* [2006] ECR I-1609, paragraph 68) and that the national courts may, case by case, take account - on the basis of objective evidence - of abuse or fraudulent conduct on the part of the persons concerned in order, where appropriate, to deny them the benefit of the provisions of Community law on which they seek to rely (see inter alia Case C-212/97 *Centros* [1999] ECR I-1459, paragraph 25).

I believe that to be an apposite statement of the basis on which bad faith invalidates applications for registration under the parallel provisions of Article 3(2)(d) of the Trade Marks Directive, Article 51(1)(b) of the Community Trade Mark Regulation and Section 3(6) of the 1994 Act. I also consider it to be consonant with the existing case law on bad faith in the United Kingdom and at the Community Trade Marks Office.

52. In Gromax Plasticulture Ltd v. Don & Low Nonwovens Ltd⁵² Lindsay J. said:

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

⁵¹ Case C-212/97 *Centros Ltd v. Erhvervs-og Selskabsstyrelsen* [1999] ECR I-1459, paragraphs 24, 25; Case C-110/99 *Emsland-Stärke GmbH v. Hauptzollamt Hamburg-Jonas* [2000] ECR I-11569, paragraphs 51 to 53; Case C-373/97 *Dionisios Diamantis v. Ellinko Dimosio* [2000] ECR I-1705, paragraphs 33, 34; K E Sorensen *Abuse of Rights in Community Law: A Principle of Substance or Merely Rhetoric?* 43 CML Rev (2006) at pp.423-459; see also Article 54 of the EU Charter of Fundamental Rights.

⁵² [1999] RPC 367 at 379.

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.

This statement of approach has been regarded as a touchstone for the determination of bad faith objections in the United Kingdom.⁵³ It has been assimilated into the approach of the Boards of Appeal at the Community Trade Marks Office.⁵⁴ It does not allow applications for registration to be made '*for abusive or fraudulent ends*'.

53. The mental element required for a finding of bad faith has been much discussed.⁵⁵ The discussion has centred on the test for determining dishonesty in English law, that is to say the 'combined test' as explained by the House of Lords in Twinsectra Ltd v. Yardley⁵⁶ and clarified by the Privy Council in Barlow Clowes International Ltd v. Eurotrust International Ltd.⁵⁷ In her decision in AJIT WEEKLY Trade Mark⁵⁸ Professor Annand considered whether the 'combined test' makes it necessary to give effect to the applicant's belief in the propriety of his own behaviour when deciding whether he applied for registration in bad faith. She said not, on the basis that his own perception of propriety could not provide a conclusive answer to the question whether he actually had applied for registration in bad faith. I agree with her analysis. It supports the view that

⁵³ Having been endorsed by the Court of Appeal in Harrison v Teton Valley Trading Co Ltd (CHINAWHITE Trade Mark) [2004] EWCA Civ 1028; [2005] FSR10 at paras 18 and 33 per Aldous LJ.

⁵⁴ see Case R 336/2007-2 Antoinette van Rossum v. Heinrich Mack Nachf. GmbH & Co KG 13 November 2007 at paragraph 23.

⁵⁵ Harrison v Teton Valley Trading Co Ltd (CHINAWHITE Trade Mark) [2004] EWCA Civ 1028; [2005] FSR10 (CA); Robert McBride Ltd's Trade Mark Application [2005] ETMR 85 (Appointed Person); Kerlys Law of Trade Marks and Trade Names 14th Edn (2005) paras. 8-252 to 8-257, 8-275, 8-276.

⁵⁶ [2002] UKHL 12; [2002] 2 AC 164 (HL).

⁵⁷ [2005] UKPC 37, [2006] 1 WLR 1476 (PC).

⁵⁸ [2006] RPC 25 at paras 35 to 44.

the relevant determination must ultimately be made *‘on the basis of objective evidence’* rather than upon the basis of evidence as to the beliefs and opinions of the applicant with regard to the propriety of his disputed application for registration. I note in this connection that in the CHINAWHITE Trade Mark case⁵⁹ the Court of Appeal upheld the hearing officer’s finding of bad faith: (1) notwithstanding that the applicant for registration had deposed to the fact that he *‘recognised no bad faith in my decision to develop and market the drink CHINA WHITE’* and was not cross-examined on the evidence he had given; and (2) notwithstanding that the Registrar’s hearing officer had accepted the applicant’s evidence and concluded that at the date of the disputed application for registration the applicant *‘saw nothing wrong in his own behaviour’*.

54. In the present case, the Hearing Officer recognised that the opposed applications for registration were made with a view to exploiting the economic value of the political denominations **FIANNA FAIL** and **FINE GAEL**, but considered them to be unobjectionable on the basis (1) that the applicant was not ultimately depriving the opponent organisations of their names or the right to use them in furtherance of their political aims and objectives; and (2) there was no evidence that he would be hindering or pre-empting them in any actual or intended exploitation of their names. That is to say, he allowed the opposed applications to proceed on the basis that they did not (or at least did not appear to) affect the interests of the opponent organisations.

55. It appears to me that the Hearing Officer reached the conclusion he did on the basis of an assessment that owed more to a consideration of the ‘relative’ position of the opponent organisations than it did to a consideration of the ‘absolute’ position of the

⁵⁹ [2004] EWCA Civ 1028; [2005] FSR 10 (CA) at paras 8 and 16.

applicant for registration. I am not saying that the 'relative' position of the opponent organisations was unimportant. Far from it. However, my concern is that the lack of integrity in the 'absolute' position of the applicant for registration was not fully appreciated.

56. His strategy was to equip himself with trade mark and company name registrations for the purpose of baiting the opponent organisations into making peace with him on terms that would (if he had his way) provide him with an advantage of the kind he was looking for. The process of baiting them depended for its success upon persuading them that they were faced with problems that could and should be resolved by negotiation. To that end he pressed them on two fronts. First, he pressed them with the problem of exposure to the risk of proceedings for infringement of the requested registrations. Second, he pressed them with the problem of exposure to commercial use of their names (by or under licence from him or his successors) under cover of those registrations.

57. The first source of pressure could, with the benefit of expert trade mark advice, be downplayed by the opponent organisations as something they would largely be able to work around. The second source of pressure was more serious. It foreshadowed independent use of their names under cover of the registrations, regardless of the consequences in terms of public deception (see paragraphs 24, 35 and 48 above). Moreover, it confronted them with the prospect of an open-ended need to distance themselves as best they could from such use. The burden of that need would foreseeably be as great as the applicant's desire to exert influence over their activities.

58. None of this was an accident. The applicant targeted the opponent organisations and took their names for the purpose of registering them in furtherance of his objectives. His strategy was leech like in its effort to fasten upon and feed off the distinctive character and repute of the names. I can see from what the applicant has written⁶⁰ that he believed their names were open and available for registration in the United Kingdom on a first come, first served basis. I suspect that he also regarded registration of their names as a suitable way of pursuing a beneficial solution so far as his political wishes were concerned. Even so his subjective perceptions cannot, in my view, excuse or justify his conduct in connection with the disputed applications for registration. I am satisfied that his conduct in that connection should be regarded as improper for having been embarked upon in bad faith within the grasp of that objection as set out above. I therefore uphold the opponents' appeals and objections under Section 3(6) with the result that the disputed applications for registration will be refused in their entirety.

Costs

59. It follows that the Hearing Officer's orders for costs in favour of the applicant for registration cannot stand. At the hearing before me the opponent organisations asked for an award of full costs in respect of the proceedings at first instance and on appeal in the event that their appeals were successful. The figures suggested were in the region of £22,000 for Fianna Fail and £20,000 for Fine Gael. The misconduct of the applicant was cited as the principal reason for seeking a full award.

⁶⁰ Page 2 of his letter of 19 September 2007 to the Registry's Hearings and Appeals Team Leader; page 2 of his letter of 11 January 2008 to the Treasury Solicitor's Department.

60. The long established practice in Registry proceedings is to require payment of a contribution to the costs of a successful party, with the amount of the contribution being determined by reference to published scale figures. The scale figures are treated as norms to be applied or departed from with greater or lesser willingness according to the nature and circumstances of the case. The Appointed Persons normally draw upon this approach when awarding costs in relation to appeals brought under Section 76 of the 1994 Act.

61. The use of scale figures in this way makes it possible for the decision taker to assess costs without investigating whether or why there are: (a) disparities between the levels of costs incurred by the parties to the proceedings in hand; or (b) disparities between the levels of costs in those proceedings and the levels of costs incurred by the parties to other proceedings of the same or similar nature. This approach to the assessment of costs has been retained for the reasons identified in Tribunal Practice Notice 2/2000 (Kerly's Law of Trade Marks and Trade Names 14th Edn. 2005 pp. 919 et seq).

62. The opponent organisations are the successful parties. They are each entitled to an award of costs. In deciding on the amounts to be awarded I intend to depart from the scale figures, but not to the extent of awarding full costs. Whilst I am unimpressed by the conduct of the applicant for registration, I must bear in mind: (1) that the opponent organisations raised objections to registration which they failed to substantiate; and (2) that an award of costs should reflect the effort and expenditure to which it relates without inflation for the purpose of imposing a financial penalty by way of punishment for misbehaviour on the part of the paying party.

63. Looking at matters in the round, I think it would be appropriate within the parameters I have identified to require the applicant for registration to pay £8,000 to Fianna Fail as a contribution towards the costs of its opposition in the Registry and on appeal and to require him to pay the same sum to Fine Gael as a contribution towards the costs of its opposition in the Registry and on appeal.

Conclusion

64. The Hearing Officer's orders as to costs are set aside. The appeals and objections of the opponent organisations under Section 3(6) of the Trade Marks Act 1994 are upheld. Opposition No. 93972 in the name of Fianna Fail to Trade Mark Application No. 2396543 in the name of Patrick Melly is successful under Section 3(6) in relation to the trade mark application in its entirety and Mr. Melly is directed to pay Fianna Fail £8,000 as a contribution towards the costs of its opposition in the Registry and on appeal within 21 days after the date of this decision. Opposition No. 93974 in the name of Fine Gael to Trade Mark Application No. 2396544 in the name of Patrick Melly is likewise successful under Section 3(6) in relation to the trade mark application in its entirety and Mr. Melly is directed to pay Fine Gael £8,000 as a contribution towards the costs of its opposition in the Registry and on appeal within 21 days after the date of this decision.

Geoffrey Hobbs QC

15 February 2008

Mr. Simon Malynicz instructed by Rouse & Co. International Ltd appeared as Counsel for the opponents.

Mr. Timothy Becker instructed by direct public access appeared as Counsel for the applicant.

The Registrar was not represented.