O-167-08

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No 2282337
BY RUBICON RETAIL HOLDINGS LIMITED TO REGISTER THE TRADE MARK RUBICON IN CLASSES 9, 16, 18, 20, 24, 25, 26, 28, 31, 35, 36 AND 39**

**AND IN THE MATTER OF OPPOSITION
THERETO UNDER NO 93550
BY THE RUBICON CORPORATION LIMITED**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF Application No. 2282337**
**by Rubicon Retail Holdings Limited to register the Trade Mark RUBICON in Classes 9, 16, 18, 20, 24, 25, 26, 28, 31, 35, 36 and 39**

**and**

**IN THE MATTER OF Opposition thereto under No. 93550**
**by The Rubicon Corporation Limited**

## BACKGROUND

1) On 4 October 2001, Rubicon Retail Holdings Limited, of 19-22 Rathbone Place, London, W1T IHY applied under the Trade Marks Act 1994 ("the Act") for registration of the trade mark RUBICON in respect of the following goods and services:

> Class 09: Spectacles; spectacle frames; spectacle cases; sunglasses; cases for sunglasses; chains for spectacles and for sunglasses; cords for spectacles and for sunglasses; contact lenses; contact lens containers; compasses; barometers; binoculars; telescopes; microscopes; batteries; frames for photographic transparencies; parts and fittings for all of the aforesaid goods; devices in the nature of straps, ribbons, cords or chains for retaining in position or for preventing loss of spectacles, eyeglasses or sunglasses; parts and fittings for all the aforesaid goods.
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> Class 16: Printed matter and printed publications, brochures, pamphlets, magazines and periodicals; shopping catalogues; all the aforesaid goods relating to clothing; credit cards, debit cards, charge cards, payment cards and cheque guarantee cards, all made of plastic; cheque book holders.
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> Class 18: Articles of leather and imitations of leather; trunks and travelling bags; travel cases; luggage; suitcases; holdalls; portmanteaux; valises; bags; handbags; shoulder bags; toilet bags; carrier bags; rucksacks; backpacks; bumbags; sports bags; casual bags; briefcases; attaché cases; music cases; satchels; beauty cases; carriers for suits, for shirts and for dresses; tie cases; notecases; notebook holders; document cases and holders; credit card cases and holders; chequebook holders; wallets; purses; umbrellas; parasols; walking sticks; shooting sticks; belts; parts and fittings for all the aforesaid goods.
>
> Class 20: Furniture; mirrors; picture frames; goods (not included in other classes) of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum, tortoiseshell and substitutes for all these materials, or of plastics; coat hangers; bolsters; mattresses; sleeping bags; keyboards for hanging keys; jewellery cases (not of precious metal); straws for drinking;

mobiles (decoration); flower pot pedestals; wax figures; parts and fittings for all the aforesaid goods.

Class 24: Textiles; textile articles; textile piece goods; bed and table covers; household linen; linen cloth; bed linen; bath linen; table linen; table cloths; curtains of textile or plastic; pillow shams; pillow cases; sheets; towels; eiderdowns; duvets; covers for eiderdown and duvets; napery; napkins; serviettes; table mats (not of paper); face towels; flannels; tissues of textile for removing make-up; traced cloth for embroidery; tapestry (wall hangings) of textile; rugs (travelling); textile material for making up saris; furniture coverings of plastic.

Class 25: Articles of clothing, footwear and headgear.

Class 26: Lace and embroidery; ribbons; braids; buttons; artificial flowers; artificial fruit; artificial garlands; hair bands; hair curlers; hair crimpers; hair curling pins; hair grips; hair clips; hair slides; hair nets; hair ornaments; hair pins; hair accessories; expanding bands; braces; elastic ribbons; bows; buckles; badges; buttons; ornamental buttons; lapel pins; studs; silver embroidery; tea cosies; sewing boxes.

Class 28: Games, toys and playthings; gymnastic and sporting articles; electronic toys and electronic games; dolls and dolls' clothing; accessories for dolls; dolls' houses; dolls' furniture; dolls' furniture accessories; teddy bears; toy action figures; toy vehicles; scale model vehicles; toy building structures and toy vehicle tracks; soft toys; plush toys; play sets and play cases; balloons; playing cards; novelty jokes; novelties for parties; toy masks; masks; decorations for Christmas trees; puppets; marionettes; playing balls; kites; bats; marbles; parts and fittings for all the aforesaid goods.

Class 31: Natural flowers; dried plants and dried flowers; trees and shrubs.

Class 35: The bringing together for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods in a clothes or department store or from a clothes mail order catalogue, or from a clothes website by means of telecommunications; advisory, information and consultancy services relating to all of the aforesaid.

Class 36: Credit services; credit advisory services; leasing services; payment and transmission of money; payment services; purchasing services; credit, debit and store card services; credit finance services; hire purchase services; insurance services.

Class 39: Transportation and delivery of goods; advisory, consultancy and information services relating to all of the aforesaid.

2) The application was subsequently published in the Trade Marks Journal on 1 April 2005 and later the Class 36 specification was amended to remove the term "insurance services".

3) On 1 July 2005, The Rubicon Corporation Limited of 1 Cornhill, London, EC3V 3ND filed notices of opposition to the application. The opposition is based on a single ground, namely that the applicant's trade mark offends Section 5(4)(a) of the Act. No explanation is provided and no statement is made as to what goods and services the opponent is objecting to, but details are provided of the earlier sign RUBICON that the opponent claims has been used since December 2000 in relation to "insurance services, providing insurance and business administration services to insurance and financial organisations; inspection of vehicles and goods".

4) The applicant subsequently filed a counterstatement denying that its trade mark offends under Section 5(4) (a) of the Act and puts the opponent to strict proof that it has established sufficient goodwill to support its claim. It denies that the applicant's trade mark would be liable to be prevented under the law of passing off. It further denied that the opponents would be able to support any claim to misrepresentation, nor that the opponents are likely to be damaged by the use of the applicant's trade mark.

5) Both sides filed evidence. Neither party requested to be heard or filed written submissions. Both sides seek an award of costs. After a careful study of all the papers, I give my decision.

**Opponent's Evidence**

6) This takes the form of an undated witness statement by Shaun Nicholas Sherlock, Trade Mark Assistant at Marks & Clerk, the opponent's representative in these proceedings. Mr Sherlock states that the opponent company was founded in late 2000 and expanded to over 420 staff within two years and by the application date of 4 October 2001, the opponent had 48 staff. He points to this fact as being evidence of the existence of a significant business and goodwill prior to the application date.

7) The company focuses on providing expert insurance services and the administration of insurance services to other companies. Exhibit SNS1 contains print-outs from the Companies House website illustrating that the opponent company and its predecessors pre-date the filing of the application. Mr Sherlock also states this also illustrates use of the sign RUBICON for insurance services that pre-dates the filing of the application.

8) Exhibit SNS2 is a page from the opponent's website giving a time line of the company's expansion and further pages dated 18 February 2004 provide a summary of its history. The information contained in the time line, as it pertains to the period up to the date of application is as follows:

| | |
|---|---|
| December 2000: | Rubicon formed; people – 3 |
| December 2000 – August 2001: | Fund-raising; acquisition targeting |

| | |
|---|---|
| July 2001: | Colchester office |
| August 2001: | FFF £1m *(the meaning of "FFF" is not explained)* |
| September 2001: | Start FIRSTPLUS; people – 15 |

And the next item, for which it is unclear if it pre-dates the date of application (4 October 2001):

| | |
|---|---|
| October 2001: | Acquired Executive Health Care from GE; secure £10m Penta Capital; people - 48 |

This time line appears to suggest that at this time the opponent had either 15 or 48 staff depending on whether the acquisition of Executive Health Care occurred before or after 4 October.

9) The time line records that "Rubicon" was formed with three people in December 2000 and after acquiring a number of companies and being involved in a number of "deals" with other companies, the opponent company grew to six hundred staff by December 2003. The summary of the company's history adds no further relevant facts.

10) Exhibit SNS3 presents the opponent company's own press releases dated 11 March and 25 November 2002 declaring consolidated revenues of £500,000 in 2001 and a forecast of fee and commission income of £12 million in 2002. This forecast was later revised to £15 million.

11) Exhibit SNS4 provides press articles which appeared in Marketing Week, dated 21 June 2001 and in Post Magazine, dated 13 September 2001. The latter records appointments to the opponent company's management team and is submitted to illustrate the rate of expansion of the company at that time. The former is of interest as it describes the nature of the opponent's business and includes the following text:

> "Rubicon Corporation, a new financial services company, is giving retailers the chance to market their own insurance brands.
>
> Rubicon will handle the administration of insurance policies on behalf of companies not traditionally associated with financial products, but which want to extend their brand. Policies covered include household, car, travel and health insurance.
>
> The London-based company will organise a panel of insurance companies to provide the policies. Rubicon will then handle the quotes, mid-term adjustments, policy renewal and claims through call centre in Colchester, Essex.
>
> The policies will be branded with the retailer's logo, and Rubicon's clients will receive commission for every policy sold. Marketing can either be handled by the retailer or contracted to Rubicon."

**Applicant's Evidence**

12) This consists of a witness statement by Kathleen Rose O'Rourke dated 21 December 2007. Ms O'Rourke is a solicitor and trade mark attorney with Dechert LLP who is representing the applicant in this matter.

13) Ms O'Rourke states that the applicant has deleted "insurance services" from the scope of the application and that this removes any grounds to support a claim that registration of the applicant's trade mark would be contrary to Section 5(4) (a) of the Act. Ms O'Rourke's other statements are in the form of submissions.

**DECISION**

**Section 5(4) (a)**

14) I go on to consider the ground under Section 5(4)(a). That section reads as follows:

> "**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".

15) The requirements for this ground of opposition have been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] R.P.C. 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

> (1) that the opponents' 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 applicant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicant are goods or services of the opponents; and
>
> (3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicant's misrepresentation.

16) To the above I add the comments of Pumfrey J (as he then was) in the *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* case [2002] RPC 19, in which he said:

> "27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under Section 11 of the 1938 Act (See Smith Hayden (OVAX) (1946) 63 RPC 97 as qualified by BALI [1969] RPC 472).
>
> Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.
>
> 28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed at the relevant date. Once raised the applicant must rebut the prima facie case. Obviously he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of possibilities that passing off will occur."

17) The opponent relies upon an earlier right in the word RUBICON. The first question is whether the opponents had acquired any goodwill or reputation in RUBICON at the time the application was filed. In *Southcone*, Pumfrey J refers to the need for evidence from the trade. In the current case, the only evidence that could be described as such are the press articles that appeared in specialist media, namely, Marketing Week in June 2001 and in Post Magazine in September 2001. The first of these described how the opponent's business model was intended to operate and it is notable that this is phrased in the future tense such as "Rubicon **will** handle the administration of insurance policies…", "The…company **will** organise a panel of insurance companies…", "Rubicon says negotiations with **potential** customers are already "advanced"". It is clear from these statements that the opponent had not began trading by June 2001.

18) The second press article records that the opponent had made seven appointments to its management team, but once again this fails to demonstrate that the opponent had actually begun trading as opposed to merely putting in place an infrastructure in preparation for the commencement of trading.

19) The opponent's press release of 11 March 2002 declares consolidated revenues of £500,000 in the year 2001, but this falls short of demonstrating trading activity prior to the date of application as these revenues may relate exclusively to the period of 2001 after 4 October. No further clarification is provided.

20) The time line, referred to earlier, includes the text "Sept '01, Start FIRSTPLUS, people – 15". Without further supporting evidence I am unable to conclude that this is evidence that the opponent had began trading. The time line reference may merely be a reference to setting up an area of business activity, with an intention to begin trading once a panel of insurance companies and an infrastructure was established. Even if I accepted that it was evidence of the commencement of trading, it is unclear whether this was under the name RUBICON or FIRSTPLUS. There is no evidence from anyone with direct knowledge of the business that may have provided clarification on this point.

21) What is clear from the opponent's evidence is that at the date of application, it was at least, gearing up to begin trading, but this evidence falls short of actually demonstrating that trading had begun. At the date of application, it is also clear that the opponent was about to expand rapidly and within two months had expanded to 198 staff and had forecast an income of £15 million for the following year, but this fact is of no assistance in demonstrating that the opponent had established any goodwill or reputation at the date of application.

22) From the evidence itemised earlier, it is known that the opponent administers insurance policies on behalf of its customers. Whilst there is no evidence to establish that at the date of the application, there was any such business in operation, the references to FIRSTPLUS only one month prior to this date suggest that, if not actually trading, there had been activity between the opponent and at least one customer in preparation for beginning trading. Is this activity sufficient to establish any goodwill? It is long established that this is not sufficient and the authorities establishing this are summarised in Chrisopher Wadlow's The Law of Passing-Off, 3rd Edition, at paragraph 3-64 (footnotes removed):

> "The existence of preparations in advance of commencing business is insufficient in itself to generate goodwill. In the early case of *Lawson v Bank of London* the plaintiff was the promoter of a bank to be known as the *Bank of London.* He had issued a prospectus and found premises, but the bank had not been formed or begun to trade. His action against a rival bank which had started business under the same name was dismissed. In *Hart v. Relentless Records* the claimant had unsuccessfully tried to promote a record company under the name *Relentless Recordings,* but had never got any further than issuing four promotional tracks to DJs. No recordings had been released on a commercial basis and Jacob J. held that there was no goodwill. Several actions by foreign claimants have failed despite the existence of preparations to enter the English market. In *Amway v Eurway* a foreign plaintiff had started seeking premises and employees; in *Athlete's Foot v Cobra Sports* the plaintiffs were seeking an English franchise, and one potential franchisee had ordered goods and stationery. In both cases interlocutory injunctions were refused. …"

23) As there is an absence of evidence demonstrating any trading activity by the date of application it follows that, at that particular time, the opponent also has no reputation in respect to its services.

24) I find that at the date of application the opponent has failed to demonstrate it had established any goodwill or reputation associated with the sign. This means that the necessary misrepresentation required by the tort of passing off would not occur and the opposition under Section 5(4) (a) fails.

**Costs**

25) The opposition having failed, the applicant is entitled to a contribution towards its costs. I take account of the fact that the decision has been reached without a hearing taking place and with neither party filing written submissions. I award costs on the following basis:

| | |
|---|---|
| Consideration of TM7 | £200 |
| Statement of case in reply | £300 |
| Preparing and filing evidence | £300 |
| Considering evidence | £150 |
| | |
| TOTAL | £950 |

26) I order The Rubicon Corporation Limited to pay Rubicon Retail Holdings Limited the sum of £950. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 17th day of June 2008**

**Mark Bryant**
**For the Registrar,**
**the Comptroller-General**