

O-347-09

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2453804
BY
URSKA GESTRIN MOSQUERA**

TO REGISTER THE TRADE MARK:

Salsa Babies

IN CLASS 41

AND

**THE OPPOSITION THERETO
UNDER NO 95523
BY
JENNIFER TORRES**

Trade Marks Act 1994

**In the matter of application no 2453804
by Urska Gestrin Mosquera
to register the trade mark:
Salsa Babies
in class 41
and the opposition thereto
under no 95523
by Jennifer Torres**

1) On 26 April 2007 Urska Gestrin Mosquera applied to register the trade mark **Salsa Babies** (the trade mark). The application for registration was published for opposition purposes on 29 June 2007 with the following specification:

dance instruction; provision of dance classes; organising dancing events; provision of dancing facilities.

The above services are in class 41 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 28 September 2007 Jennifer Torres lodged an opposition to the registration of the trade mark under sections 3(6) and 5(4)(a) of the Trade Marks Act 1994 (the Act). Section 3(6) of the Act states:

“A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

Section 5(4)(a) of the Act states:

“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”.

The principles of the law of passing-off were summarised by Lord Oliver in *Reckitt & Colman Products Ltd v. Borden Inc* [1990] RPC 341 at page 406:

“The law of passing off can be summarised in one short, general proposition: no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached

to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. ... Thirdly he must demonstrate that he suffers, or in a *quia timet* action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."

3) Ms Torres claims that Ms Mosquera was well aware of her Salsa Babies business and the licensing "opportunities" relating thereto. Ms Torres claims that rather than enquiring about purchasing a licence in the United Kingdom, Ms Mosquera dishonestly held her own Salsa Babies classes, used Ms Torres's tag line/phrasing in a print advertisement as well as Ms Torres' illustration on her registration form and copied Ms Torres' phrases from her Salsa Babies website and handed them out to class participants. Ms Torres claims that these actions constitute bad faith. Ms Torres claims that Ms Mosquera applied for the registration of the Salsa Babies trade mark in the United Kingdom with "the bad faith intention of duplicating Ms. Torres' trademark and idea".

4) In relation to section 5(4)(a) of the Act Ms Torres relies on three signs: Salsa Babies and two signs including the words Salsa Babies, a device of a maraca, and the strap line LATIN BEAT FOR TINY FEET. One of the signs also includes a number of circles. Ms Torres states that Salsa Babies was founded in 2002 and the logo was first used on the website in 2002. She claims that the website "reached" the United Kingdom at that time. Ms Torres states that dance classes were first started in 2002 in Canada and in the United States of America in 2006. She claims that dance classes were first held in the United Kingdom in 2007 and that a Salsa Babies licence was sold in the United Kingdom on 12 April 2007. Ms Torres claims that the "logo" was used in flyers and advertisements in Canada, the United States of America and the United Kingdom. She claims that Salsa Babies dance classes have been held in Canada, the United States of America and the United Kingdom. Ms Torres states that the Salsa Babies logo became known in the United Kingdom in 2006 as she received enquiries from the United Kingdom dating back to March 2006.

5) Ms Mosquera filed a counterstatement in which she denies the grounds of opposition.

6) On 11 September 2009 Ms J Pike, an assistant principal hearing officer, wrote to the parties advising that parts of the evidence filed by both parties appeared to include without prejudice material. The parties were advised that they should state whether they were content for this material to be considered or whether they objected to its consideration. Only Ms Mosquera responded. Ms Mosquera stated that she was happy for the without prejudice material to remain in the proceedings. It is for the parties to object to material being considered. In this case, as neither party has legal representation, the issue of without prejudice material has been raised with them and they have been given the opportunity to have it excluded. As the parties have not requested the exclusion, nor raised any objection, I am treating the parties as having waived privilege in relation to this material and I will consider it. The without prejudice material does not cast any light on the issues before me and has had no effect on my decision; neither party has made any admissions against interest, as far as these proceedings are concerned, in the without prejudice material.

7) Both parties filed evidence and furnished written submissions in support of their positions. In the case of Ms Torres the written submissions refer, inter alia, to section 5(3) of the Act. This ground of opposition was deleted at any early stage in the proceedings and so is not before me. (I would note that as Ms Torres does not have an earlier trade mark as per section 6 of the Act this ground was hopeless¹.)

Evidence

Affidavit of Jennifer Torres

8) Ms Torres states that she has used Salsa Babies for a salsa dance instruction class for mothers and babies. She states that salsababies.com has been used since 1 June 2002. Exhibited at JT1 are pages from the salsababies.com website downloaded on 6 March 2008. Participants on the courses are taught basic Latin dances whilst their babies are attached to them in baby carriers. The babies “shake maracas and bounce along to the Salsa beat”. Ms Torres states that Salsa Babies classes have been held in Canada since 2002 and in the United States of America since 2006. Exhibited at JT2 and JT3 are examples of use of Salsa Babies in Canada from March 2006 and the beginning of 2003. Ms Torres states that she first received enquiries through the Salsa Babies website, salsababies.com, from “potential students and franchisees” in the United Kingdom in March 2006. Exhibited at JT4 is an e-mail enquiry from March 2006 from Milton Keynes about becoming an instructor. Exhibited at JT5 is an e-mail enquiry about Salsa Babies classes in the United Kingdom from June 2006. Exhibited at JT6 is an e-mail enquiry from Scotland from August 2006. Exhibited at JT7 is an e-mail enquiry from Penzance from February 2007. Exhibited at JT7 are copies of e-mail enquiries from August 2007 and June 2008. In the former an enquiry is made about classes in Greenwich/Blackheath. In the latter Ms Fiona Rickards-Mounie, who is the address for service in the United Kingdom for

Ms Torres in these proceedings, advises that only “Urska has ever had classes in Greenwich and Blackheath”. Ms Torres states that many students and potential students in the United Kingdom wanted to take her Salsa Babies classes. They were unable to distinguish between her services and those sold under Ms Mosquera’s trade mark. She states that they believed that they were participating in her classes. Ms Torres refers to the e-mails exhibited at JT8 as evidence of the confusion. Exhibited at JT9 are e-mails from September 2007 between Ms Rickards-Mounie and a person in the Dulwich/Peckham area enquiring about Salsa Babies classes. Exhibited at JT10 are copies of e-mails between Ms Rickards-Mounie and Ms Torres from February and March 2007. One of the e-mails refers to someone else operating a similar business promoting Salsa Babies with the same logo, strap line and concept. Exhibited at JT11 are copies of e-mails between Hannah Crittenden and Ms Torres, one of which refers to “another company called Salsa Babies”. Ms Torres states that some potential franchisees, instructors and potential instructors in the United Kingdom who wanted to purchase a Salsa Babies licence decided not to do so “due to the detrimental presence of Ms. Gestrin Mosquera’s use of my Salsa Babies mark”. Exhibited at JT12 is a copy of an e-mail from Kati Hernandez Lynn dated 4 June 2008 which refers to Ms Mosquera’s trade mark application. Exhibited at JT13 is a copy of an e-mail dated 15 July 2007 from Alston Merk, a Canadian living in the United Kingdom, enquiring about Salsa Babies. Exhibited at JT14 are copies of e-mails from June 2007 between Andreja McLean in Scotland and Ms Torres enquiring about Salsa Babies classes. Exhibited at JT15 is a copy of an e-mail from August 2007 from Samantha Warnes of Hampshire enquiring about licensing Salsa Babies. Exhibited at JT16 is a copy of an e-mail from April 2008 re franchise opportunities in Ireland; there is nothing to suggest that this relates to Northern Ireland. Exhibited at JT17 are copies of e-mails from Ms Torres and Ana Karina Parsons of Kent, from June 2007, enquiring about running Salsa Babies classes. Exhibited at JT18 is a copy of an e-mail from Manuja Kaluarchchi, who picked up a flyer at a show in Earls Court, dated 25 October 2007 requesting details of becoming an instructor. Exhibited at JT19 is a copy of an e-mail from October 2007 from Borka Simicai enquiring about becoming an instructor, she came across the Salsa babies stand in Earls Court. Exhibited at JT20 is a copy of an e-mail from February 2008 from Deanne Wiseman in the Wirral enquiring about setting up a Salsa Babies class. Obviously much of this material emanates from after the date of application for registration.

9) Ms Torres states that her current licensee in London, Ms Rickards-Mounie, signed a contract with her on 12 April 2007. A copy of part of the contract is exhibited at JT21. In this contract Ms Rickards-Mounie is referred to as Rickards and is described as living in the Province of Ontario. It then goes on to state that Salsa Babies Inc “had granted Jane Doe the exclusive right to the use of the name Salsa Babies in the Licensed Territory”. Later in the contract Ms Rickards-Mounie’s address is given as being in London. Large parts of the contract appear to have been omitted from the exhibit, including the description of the

licensed territory. Ms Torres states that the contract relates to the purchasing of the franchise rights to Salsa Babies in the United Kingdom with the intent of holding Salsa Babies classes soon thereafter, prior to the date of the filing of the trade mark application by Ms Mosquera.

10) Ms Torres states that Ms Mosquera copied her Salsa Babies tagline; “Dance back into shape with the best partner of all – Your Baby”. She states that this was published in *Families South East Magazine* in March, April and May 2007. She exhibits copies of pages from the magazine at JT22, JT23 and JT24. The advertisements advise the reader to call Urska. The advertisements advise that classes are available in Rotherhithe, Blackheath, Greenwich and Dulwich. Ms Torres states that Ms Mosquera copied her Salsa Babies design of a dancing mother and baby, which she used in an advertisement in *Families South East Magazine* in March 2007. Ms Torres states that Ms Mosquera copied her Salsa Babies design and used it on her class registration form; exhibited at JT26 is a copy of the class registration form. Ms Torres states that Ms Mosquera copied her frequently asked questions sheet and distributed it to participants in her class; exhibited at JT27 is a copy of a frequently asked questions sheet. Ms Torres states that she incorporated Salsa Babies, Inc in Toronto on 18 January 2006. Ms Torres finishes by estimating amounts of money that she claims she has lost due to missed franchise opportunities and a missed master franchise opportunity. The claimed losses relate to periods after the date of the application for registration.

First witness statement of Urska Gestrin Mosquera

11) Ms Mosquera states that she has a background in Latin American and ballroom dance teaching. She states that she has taught children and adults (including new mothers) salsa and other dancing styles since 1993. Ms Mosquera states that in Slovenia she had her own dancing school where she taught adults and children different dance styles, including salsa. Ms Mosquera states that she started her classes for mothers and babies after a conversation in October 2006 with her brother-in-law’s wife, Ms Maria Mosquera, who is Finnish. Exhibited at UGM_SB1 is a copy of a page from the website of the Finnish dance sport association, as it was on 14 August 2006. Ms Mosquera notes that Bailatino classes are advertised on the website. Exhibited at UGM_SB2 is a copy of a page from the website of Studio High Heels in Helsinki, as it was on 22 June 2006. Ms Mosquera states that it can be clearly seen that Bailatino mother and baby classes were already running. Ms Mosquera states that she started preparing the choreography and dance programme for her classes from October 2006 and started classes in January 2007. Ms Mosquera states that the idea for the classes came from Finland and were started without any knowledge of Ms Torres’ classes. Ms Mosquera states that the classes for mothers and babies in Finland consist of mothers dancing with their babies whilst the babies are carried in a sling or baby carrier. They are conducted to the rhythm of Latin music. Ms Mosquera states that her classes follow a similar pattern to those in Finland, the

dancing being conducted to the rhythm of salsa music. She states that her classes have been reviewed positively in various magazines. Exhibited at UGM_SB8 is a list of publications in which Ms Mosquera states that articles about her classes have appeared: *Evening Standard*, *Families South East*, *Families South West*, *Mother and Baby* magazine, *Family Grapevine*, *South East Parenting*, *Child of London*, *Raring 2 go* and *Families North*. Ms Mosquera states that Ms Torres' classes consist of mothers dancing to Latin American music with their babies whilst the babies are carried in a sling or baby carrier. Ms Mosquera states that there are numerous other independent mother and baby classes in the United Kingdom and abroad making use of a similar programme for teaching mothers and babies eg Baby Loves Salsa, Salseritos, Baby Salsa Rytmik, Sling-your-baby classes, mambo mums, baby steps and redonion classes for mums and babies. Ms Mosquera states that it would not be uncommon for different people to come with the same idea in different parts of the world, in support of this she refers to exhibit JT15 to Ms Torres' affidavit.

12) Ms Mosquera states that when she started setting up her classes she discussed possible names with her husband and came up with a list of suitable names. Exhibited at UGM_SB3 is a list of names that were considered. She discussed various names with various persons including Maria Mosquera and Urska Baloh, both of whom have furnished witness statements. Ms Mosquera states that she asked family and friends to go through the list of names to choose their favourite ones or to suggest other names. She states that it did not take long to come up with the names Salsa Babies, Salsa Mums and Baby Salsa as they are very obvious names and are very marketable and descriptive of the classes that she intends to run. Ms Mosquera states that the name Salsa Babies was chosen independently of Ms Torres' classes, of which she was not aware at the time. Ms Mosquera states that Salsa Babies was the preferred name as it was the most obvious name for the classes that she was to offer. She states that it sounded nice and it portrayed the message of what the classes were about and it was the most marketable name to mothers. Ms Mosquera states that she contacted a few graphic designers with a view to getting a logo and corporate identity. She states that she explained what her classes were about and that they involved a mother dancing and carrying the baby in a baby carrier or sling and having fun whilst dancing to salsa music. Ms Mosquera states that exhibited at UGM_SB4 are samples that were returned.

13) Ms Mosquera states that she was not aware of Ms Torres' operation or her classes in Canada or anywhere else in the world either when she was told of the idea, which is from Finland, or when she and her husband chose the name Salsa Babies or when the classes started. Ms Mosquera states that Ms Torres, her business and her classes did not have any reputation in the United Kingdom and she was not aware of them. She states that she built a good reputation for the name, from which Ms Torres benefitted when her classes started in September 2007. Ms Mosquera states that she started advertising Salsa Babies and putting posters and leaflets out from December 2006, in order to make sure that there

were enough people for the classes starting in January 2007 and to make sure that people in the area where she was starting the classes would be aware of the brand. Ms Mosquera states that she first became aware of Ms Torres' classes in February 2007. She states that at the time that she found out about Ms Torres' classes she was in the process of booking an advert for a local magazine and was rushed for time to provide the text for the advertisement. Ms Mosquera states that foolishly she used the tagline that she had seen on Ms Torres' website. She states that the use of the tagline was not made in bad faith and only appeared in the advertisements which she had, unfortunately, booked for three months. Exhibited at UGM_SB6 is a copy of a booking form for the advertisements. Ms Mosquera states that by April 2007 she had different logos from which to choose. Ms Mosquera states that in order to compare her logo against that of Ms Torres she printed a few registration leaflets with Ms Torres' logo. She states that she did not use these registration leaflets in previously established classes. Ms Mosquera states that unfortunately in the very first class in a new area, that Ms Rickards-Mounie attended, she ran out her leaflets and gave her one that was printed with Ms Torres' logo. Ms Mosquera states that no one else got that registration form, including other participants who attended the class. Ms Mosquera states that the frequently asked questions which she handed the first class in her "latest area" in April contained text that was part of Ms Torres' frequently asked questions. Ms Mosquera states that the use of this material was not made in bad faith or as a way to damage Ms Torres' classes in Canada. Ms Mosquera states that she has apologised on various occasions for use of Ms Torres' material and that the latter has graciously accepted and called the whole event water under the bridge. Ms Mosquera states that she believed that this set the stage for what she believed were to be productive talks and negotiations with a view to finding a suitable situation to both parties.

14) Ms Mosquera states that in April 2007 Ms Rickards-Mounie attended the first session of her class in "the fourth area". At the end of the class Ms Rickard-Mounie asked if she knew that there was another class by the same name to which she "responded affirmatively". Ms Rickards-Mounie asked why Ms Mosquera didn't get a franchise to which she responded that she had the necessary knowledge to run her own classes and that she had started her classes before she found out about the other classes. Ms Rickards-Mounie told her that she had enquired about licences for the Canadian Salsa Babies and suggested that Ms Mosquera should also enquire. Ms Rickards-Mounie did not say that she was a licensee or partner of Ms Torres.

15) Ms Mosquera states that in order to protect her business, her classes and her reputation she decided to apply for a trade mark registration for her brand name. She states that her trade mark agent conducted a search for similar trade marks and indicated that "no other trademark existed". However, he believed that Salsa Babies might not be registrable as a trade mark at all. Ms Mosquera states that when it was clear that the Canadian company would be starting classes in the United Kingdom she sought to differentiate her classes in order to

protect her brand. Ms Mosquera states that at the time her website consisted of a single page with the logo and her telephone number. She removed the logo in order to create a new one and placed a note on the website indicating that her classes should not be confused with other classes with a similar name. Exhibited at UGM_SB7 is a copy of a screen print of the salsababies.co.uk website. Ms Mosquera states that in July 2007 she received a telephone call from Ms Rickards-Mounie saying that she was the official owner of Salsa Babies throughout all of Europe. She threatened to stop Ms Mosquera's classes under the Salsa Babies name. Ms Mosquera responded that she with dealing with the matter with Ms Torres.

16) Ms Mosquera states that since Ms Torres started teaching her classes in the United Kingdom using the name Salsa Babies there has been confusion. Ms Mosquera goes on to deal with negotiations between herself and Ms Torres to settle the dispute over the use of Salsa Babies. She ends by estimating the amount that she believes she has lost owing to the conflict with Ms Torres.

Witness statement of Grace Beesley

17) Ms Beesley is the church warden of St Mary's Church Rotherhithe. She is responsible for the renting of the church hall. Ms Beesley states that Ms Mosquera has been renting the church hall for her Salsa Babies classes for two years since January 2007. Ms Beesley has no connection with or commercial interest with Ms Mosquera's Salsa Babies classes and businesses.

Witness statement of Abigail Mckenzie

18) Ms Mckenzie is the owner of the magazine *South East Parenting*. Ms Mckenzie states that Ms Mosquera contacted the magazine to start advertising in March 2007 and subsequently booked an advertisement for her Salsa Babies business to appear in the magazine in the following issue. Ms Mckenzie states that Ms Mosquera has been advertising with the magazine since its third issue in May 2007. Ms Mckenzie states that in March 2008 another business with a similar name to Salsa Babies began to advertise in the magazine. Ms Mckenzie has no connection with or commercial interest with Ms Mosquera's Salsa Babies classes and businesses.

Witness statement of Robina Cowan

19) Ms Cowan is the editor of *Families South East*. She states that after initial contact with Ms Mosquera in February 2007 she made a booking for advertisement space to advertise her Salsa Babies classes. She states that the first advertisement appeared in March 2007. Ms Cowan has no connection with or commercial interest with Ms Mosquera's Salsa Babies classes and businesses.

Witness Statement of Yael Rose

20) Ms Rose is the organiser of the Baby and Pregnancy Show. Ms Rose contacted Ms Mosquera on 20 September 2007 with a view to her participating with her Salsa Babies classes at the Baby and Pregnancy Show in October 2007. She states that she was contacted a few days later by another company with the same name. She states that she was obliged to cancel Ms Mosquera's Salsa Babies appearance at the show as she did not get a clear picture of the problem with the names as explained by both parties. Ms Rose has no connection with or commercial interest with Ms Mosquera's Salsa Babies classes and businesses.

Witness statement of Marcelo Rocha

21) Mr Rocha is a resident of Brazil. He is a professional graphic designer with over 30 years experience. Mr Rocha states that he based his designs for Salsa Babies on the description of what the customer wanted and on the photographs of the classes that had been sent to him. Mr Rocha states that he has worked on different projects for Salsa Babies and Latino Bambino including the graphic aspects of the website, logos, advertising and marketing material. Mr Rocha states that prior to a request by Ms Mosquera and her husband to change their logo, due to someone having complained about it, he was not aware of another company by the same name and was not aware of their graphic material. Mr Rocha states that he does not have any commercial interest in Ms Mosquera's business, other than being contracted to undertake graphic work when needed.

Witness statement of Maria Mosquera

22) Ms Maria Mosquera (MM) states that during a visit to her home country, Finland, she became aware of salsa classes for mothers and babies called Bailatino Mum and Baby, which were being held at the High Heels studio in Helsinki. MM states that the classes consisted of a professional teacher leading a group of mothers who were carrying their babies in baby carriers and who were dancing to Latin American salsa music. MM states that the mothers and babies were having a good time and she thought that she would tell Ms Mosquera that she should run similar classes in London. In October 2006 MM told Ms Mosquera about the classes. MM states that as a mother of a young child attending various baby groups and a resident of the United Kingdom, that prior to seeing the classes in Finland she was not aware of any similar classes in the United Kingdom or anywhere else in the world. She was certainly not aware of the classes of Ms Torres. Ms Mosquera asked MM to look at a list of possible names for her classes. MM and her husband gave their opinion that Salsa Babies was the "most describable name" for the classes. MM states that after the classes were set-up in London due to the demand and brand recognition Ms Mosquera needed some teachers. MM taught Salsa Babies classes in London from 16 December 2007 to 25 July 2008. She exhibits at MARIA_SB1 the first

and last pages of her contract. MM goes on to make statements about other matters from after the date of the application for registration, which do not have a bearing upon the case.

Witness statement of Urska Baloh

23) Ms Baloh has been a friend of Ms Mosquera since childhood. Ms Baloh states that Ms Mosquera spoke to her about the Salsa Babies classes that she was setting up in London and advised her of a list of possible names. Ms Baloh states that the list of names exhibited at UB_SB1 corresponds to the names that she was shown. Ms Mosquera states she was asked to select the one that she liked the best or to suggest some of her own. Ms Baloh looked through the list and selected Salsa Babies as her favourite, it was the most “obvious” and clearly described the content of the classes and it was a catchy name. Ms Baloh states that she does not have any commercial interest in Ms Mosquera’s Salsa Babies classes.

Witness statement of Jennifer Torres

24) Ms Torres states that she is not contesting Ms Mosquera’s dance ability or professional experience nor is she trying to stop her offering a class which is similar in nature to hers.

25) Ms Torres states that Ms Mosquera states in her letter dated 2 February 2009 that it would not be uncommon for people to come up with the same idea in different parts of the world. Ms Torres states that while this may be true it would be highly uncommon for someone to come up with the same concept under the same name and with a similar illustration. Ms Torres exhibits at JT29 a witness statement by Cindy Jeftovic. Ms Jeftovic designed an illustration of a mother and baby dancing for Ms Torres’ company Salsa Babies in 2005 based on a photograph that Ms Torres supplied of herself and her baby daughter. Ms Jeftovic, who has completed a witness statement, considers that the illustration for Ms Torres and the illustration used by Ms Mosquera are similar in the following ways:

“Overall the appearance, tone and style of the subsequent 2007 illustrations seem to be directly influenced from or by the 2005 original. In terms of style; the flow and the composition / architecture of the black linework obviously emulates the original (one example is the arm extending up – the linework is a virtual match; same with the curve of side of face with hair coming down is done the same; the line of the extended foot of left version is as if directly mimicked).”

Ms Jeftovic considers that the illustrations have the same hairstyle, same face, that the upper body is very close to the original and that there are lower body similarities. Ms Jeftovic states that she was very surprised on 8 April 2007 when

Ms Torres showed her the illustration that Ms Mosquera was using on her website salsababies.co.uk. Ms Jeftovic believes that there are too many similarities for this to be a matter of coincidence.

26) Ms Torres exhibits at JT31 a copy of a photograph she provided to her graphic designer/art director Kristin Arnott, as well as to Ms Jeftovic, upon which they were instructed to base the illustration.

27) Exhibited at JT30 is a witness statement by Kristin Arnott. Ms Arnott is the art director and graphic designer for Ms Torres. Ms Arnott states that she contracted the services of Ms Jeftovic to create an illustration of a mother and baby dancing for Ms Torres. Ms Arnott comments on the similarities that she sees between the illustration provided for Ms Torres and that used by Ms Mosquera. Ms Arnott states that in her 17 years of experience she has never seen such a remarkable resemblance between two illustrations designed by two individual illustrators. She has no doubt that Ms Torres' illustration was copied.

28) Ms Torres states that she uses the rhyming tagline "Latin Beat for Tiny Feet" whilst Ms Mosquera uses "Salsa Fun for Baby and Mum" both of which rhyme. Ms Torres states that Ms Mosquera has registered the domain name salsatots.com which was the only other programme that her website was promoting at the time. (In a further witness statement Ms Mosquera states that she registered the Salsababies domain name on 29 November 2006 and that the Salsatots website was registered by her husband on 20 February 2007.)

29) Ms Torres states that Ms Mosquera would have been aware of the existence of salsababies.com, registered in 2002, when she went to register salsababies.co.uk in 2006 as in order to register a domain name every hosting company must conduct a search to make sure that the domain name is available. Ms Torres states that Ms Mosquera also registered the domain names salsatots.com and salsatots.co.uk. Ms Torres states that her company has a reputation in the United Kingdom due to a strong Internet presence as shown by the licence given to Ms Rickards-Mounie and other e-mail enquiries from the United Kingdom. Ms Torres states that Ms Mosquera states that she was unable to change the tagline to her advertisement because of publication dates. However, the layout of the advertisements was changed in each of the three issues in which the advertisements appeared.

Decision

30) This decision is not about the concept of dancing with babies to salsa music, such a concept is not covered by the laws of trade marks; indeed, it is difficult to see that such a concept would be covered by any intellectual property lawⁱⁱ. This decision is solely about the name that Ms Mosquera has chosen to use in relation to dance related services in class 41.

Passing-off – section 5(4)(a) of the Act

31) A similar provision to section 5(4)(a) of the Act is to be found in Article 8(4) of Council Regulation 40/94 of December 20, 1993. This was the subject of consideration by the Court of First Instance in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Joined Cases T-114/07 and T-115/07. In that judgment the CFI stated:

“50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.”

I apply the reasoning of the CFI, *mutatis mutandis*, in relation to the Act. So the material date is the date of the application for registration, 26 April 2007. However, if there had been use of the trade marks by Ms Mosquera prior to the date of application this would have to be taken into account. It could establish that she was the senior user, that there had been common law acquiescence or that the existing position should not be disturbed and so use would not be liable to be prevented by the law of passing-offⁱⁱⁱ.

32) In *The Law of Passing-Off* (Third Edition) by Christopher Wadlow at 3-64 the following is written:

“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 franchisee, and one potential franchisee had ordered goods and stationery. In both cases interlocutory injunctions were refused."

Lord Macnaghten in *IRC v Muller & Co's Margarine Ltd* [1901] AC 217 gave what is the commonly accepted definition of goodwill:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has power of attraction sufficient to bring customers home to the source from which it emanates. Goodwill is composed of a variety of elements. It differs in its composition in different trades and in different businesses in the same trade. One element may preponderate here and another element there. To analyse goodwill and split it up into its component parts, to pare it down as the Commissioners desire to do until nothing is left but a dry residuum ingrained in the actual place where the business is carried on while everything else is in the air, seem to me to be as useful for practical purposes as it would be to resolve the human body into the various substances of which it is said to be composed. The goodwill of a business is one whole, and in a case like this it must be dealt with as such. For my part, I think that if there is one attribute common to all cases of goodwill it is the attribute of locality. For goodwill has no independent existence. It cannot subsist by itself. It must be attached to a business. Destroy the business, and the goodwill perishes with it, though elements remain which may perhaps be gathered up and be revived again."

At the date of application Ms Torres had granted a licence to Ms Rickards-Mounie, dated 12 April 2007. In her first witness statement Ms Mosquera, at paragraph 40, refers to her meeting with Ms Rickards-Mounie and being asked if she knew there was another class by the same name, to which she states that she answered affirmatively. It is not clear if this refers to the use in Canada and the United States of America. However, I note that at paragraph 31 Ms Mosquera states that Ms Torres' classes started in September 2007. Ms Cowan in her statement states that in September 2007 a second company began advertising with the same name. Ms Torres does not deny that the classes started in the United Kingdom in September 2007. So in respect of Ms Torres there was no business, no classes were taking place, there was no attractive force in the United Kingdom, no goodwill.

33) Ms Torres refers to her website. However, the presence of a website does not establish a goodwill situation in the United Kingdom. In *800-Flowers Trade Mark* [2000] FSR 697 Jacob J stated:

“I questioned this with an example: a fishmonger in Bootle who put his wares and prices on his own website, for instance, for local delivery can hardly be said to be trying to sell the fish to the whole world or even the whole country. And if any web surfer in some other country happens upon the website he will simply say “this is not for me” and move on. For trade mark laws to intrude where a website owner is not intending to address the world but only a local clientele and where anyone seeing the site would so understand him would be absurd. So I think that the mere fact that websites can be assessed anywhere in the world does not mean, for trade mark purposes, that the law should regard them as being used everywhere in the world. It all depends upon the circumstances, particularly the intention of the website owner and what the reader will understand if he assesses the site.”

Ms Torres supplies classes. A website does not supply classes, unless in the form of distance learning, it simply advises of the presence of the classes, in this case in Canada and the United States. A few enquiries to the website from people situated in the United Kingdom does not establish any business here from the website. All it shows is that a few Internet surfers had come across Ms Torres’ website and had made enquiries; that is not a business situated in the United Kingdom. **At the material date Ms Torres has not established a goodwill in a business situated in the United Kingdom and so the grounds of opposition under passing-off must fail.**

34) In *Croom’s Trade Mark Application* [2005] RPC 2 Mr Geoffrey Hobbs QC, sitting as the appointed person stated:

“45 I understand the correct approach to be as follows. When rival claims are raised with regard to the right to use a trade mark, the rights of the rival claimants fall to be resolved on the basis that within the area of conflict:

- (a) the senior user prevails over the junior user;
- (b) the junior user cannot deny the senior user’s rights;
- (c) the senior user can challenge the junior user unless and until it is inequitable for him to do so.”

Even if the licence granted by Ms Torres to Ms Rickards-Mounie could be accepted as establishing a goodwill it would not benefit Ms Torres’ case as the evidence of Ms Mosquera establishes that she was supplying classes by reference to the sign Salsa Babies from January 2007, she is the senior user and so her use could not be prevented under the law of passing-off.

35) The grounds of opposition under section 5(4)(a) of the Act are dismissed.

Bad Faith – section 3(6) of the Act

36) Bad faith includes dishonesty and “some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular field being examined^{iv}”. Certain behaviour might have become prevalent but this does not mean that it can be deemed to be acceptable^v. It is necessary to apply what is referred to as the “combined test”. This requires me to decide what Ms Mosquera knew at the time of making the application and then, in the light of that knowledge, whether her behaviour fell short of acceptable commercial behaviour^{vi}. Bad faith impugns the character of an individual or collective character of a business, as such it is a serious allegation^{vii}. The more serious the allegation the more cogent must be the evidence to support it^{viii}. However, the matter still has to be decided upon the balance of probabilities.

37) In her written submissions Ms Torres refers to the decision of Mr Geoffrey Hobbs QC, sitting as the appointed person in *Daawat Trade Mark* [2003] RPC 11. However, the facts of that case were very different to those of this case. As Mr Hobbs states:

“30 Having examined the evidence in terms of "Undisputed Facts" (para.19) and "Disputed (relevant) Facts" (para.20) he asked himself three questions and answered them in the affirmative.

31 The three questions were (para.21):

(i) whether the respondent had knowledge of the applicant's use of the mark DAAWAT in India prior to the date of its application for registration of the same mark in the United Kingdom?

(ii) whether the respondent had reasonable grounds to believe that the applicant intended to enter the UK market for rice under the DAAWAT mark?

(iii) whether the respondent applied to register the mark DAAWAT in order to take unfair advantage of its knowledge of the applicant's plans?

Mr Hobbs went on to state:

“107 The domestic perspective of the objection under s.3(6) was correctly recognised in para.17 of the principal hearing officer's decision: "In my view a vague suspicion that a foreign proprietor may wish to extend its trade to the UK is insufficient to found an objection under s.3(6).”

38) In this case Ms Mosquera had knowledge of the use of Salsa Babies by the date of the filing of the application. However, she had been using the trade mark for some months prior to the filing of the application. When she commenced use of the trade mark there was no reason that Ms Mosquera would have been aware of any intention by Ms Torres to expand into the United Kingdom. There is

nothing to suggest that Ms Torres had any particular plans for such expansion. The receipt of unsolicited e-mails from the United Kingdom does not establish an intention to expand into the United Kingdom. Ms Mosquera states that she filed her application to protect her position in relation to the business that she had in the United Kingdom.

39) Ms Torres clearly considers that other actions of Ms Mosquera go to the issue of her bad faith eg the use of the tagline, the use of material from her website and what she and her designers consider use of a device which is too close to hers. Ms Mosquera may have taken advantage of material available from Ms Torres website but this does not go to the bona fides of her establishing her business in the United Kingdom. Ms Mosquera states that she did not know of Ms Torres' business when she initially set up her business. She has furnished witness statements in relation to the choosing of the name. If Ms Torres wanted to challenge the veracity of Ms Mosquera's claims to an absence of knowledge of Ms Torres' business she could have called for her to be cross-examined, and the other witnesses who have supported her statement^{ix}. As has been stated by Ms Mosquera, Salsa Babies is hardly the most inventive of names, it clearly alludes strongly to the services and so two persons coming up with the name is not extraordinary. Even if Ms Mosquera had known of Ms Torres' business in Canada when she established her business in the United Kingdom this would not be determinative. Ms Torres or her licensees were running classes in Canada and United States; there is nothing to indicate that when Ms Mosquera began her business that there were any plans to expand into the United Kingdom; a few speculative e-mails from visitors to the website do not establish such plans. The nature of Ms Torres' business was very much that of the fishmonger in Bootle as far as the United Kingdom was concerned. When Ms Mosquera established her business Ms Torres' had no business in the United Kingdom and any knowledge of her business in the United Kingdom would have been limited to those who had come across her website. The few e-mails she had received had not given rise to a business in the United Kingdom. In the terms of *Daawat* there was not even the vague suspicion that Ms Torres would wish to establish a business in the United Kingdom.

40) Of course, when Ms Mosquera filed her application for registration she knew of Ms Torres and her business. Ms Mosquera had made use of material from Ms Torres' website. This action was, not surprisingly, objected to by Ms Torres, however, it does not go to the issue of whether Ms Mosquera acted in bad faith by making her application. There are specific remedies for use of material that may be subject to the law of copyright. In *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others* [2008] EWHC 3032(Ch) Arnold J held:

“189. In my judgment it follows from the foregoing considerations that it does not constitute bad faith for a party to apply to register a Community trade mark merely because he knows that third parties are using the same

mark in relation to identical goods or services, let alone where the third parties are using similar marks and/or are using them in relation to similar goods or services. The applicant may believe that he has a superior right to registration and use of the mark. For example, it is not uncommon for prospective claimants who intend to sue a prospective defendant for passing off first to file an application for registration to strengthen their position. Even if the applicant does not believe that he has a superior right to registration and use of the mark, he may still believe that he is entitled to registration. The applicant may not intend to seek to enforce the trade mark against the third parties and/or may know or believe that the third parties would have a defence to a claim for infringement on one of the bases discussed above. In particular, the applicant may wish to secure exclusivity in the bulk of the Community while knowing that third parties have local rights in certain areas. An applicant who proceeds on the basis explicitly provided for in Article 107 can hardly be said to be abusing the Community trade mark system.”

In *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* Case C-529/07 the European Court of Justice (ECJ) considered the concept of bad faith.

“40 However, the fact that the applicant knows or must know that a third party has long been using, in at least one Member State, an identical or similar sign for an identical or similar product capable of being confused with the sign for which registration is sought is not sufficient, in itself, to permit the conclusion that the applicant was acting in bad faith.

46 Equally, the fact a third party has long used a sign for an identical or similar product capable of being confused with the mark applied for and that that sign enjoys some degree of legal protection is one of the factors relevant to the determination of whether the applicant was acting in bad faith.

47 In such a case, the applicant’s sole aim in taking advantage of the rights conferred by the Community trade mark might be to compete unfairly with a competitor who is using a sign which, because of characteristics of its own, has by that time obtained some degree of legal protection.

48 That said, it cannot however be excluded that even in such circumstances, and in particular when several producers were using, on the market, identical or similar signs for identical or similar products capable of being confused with the sign for which registration is sought, the applicant’s registration of the sign may be in pursuit of a legitimate objective.

49 That may in particular be the case, as stated by the Advocate General in point 67 of her Opinion, where the applicant knows, when filing the application for registration, that a third party, who is a newcomer in the market, is trying to take advantage of that sign by copying its presentation, and the applicant seeks to register the sign with a view to preventing use of that presentation.

50 Moreover, as the Advocate General states in point 66 of her Opinion, the nature of the mark applied for may also be relevant to determining whether the applicant is acting in bad faith. In a case where the sign for which registration is sought consists of the entire shape and presentation of a product, the fact that the applicant is acting in bad faith might more readily be established where the competitors' freedom to choose the shape of a product and its presentation is restricted by technical or commercial factors, so that the trade mark proprietor is able to prevent his competitors not merely from using an identical or similar sign, but also from marketing comparable products.

51 Furthermore, in order to determine whether the applicant is acting in bad faith, consideration may be given to the extent of the reputation enjoyed by a sign at the time when the application for its registration as a Community trade mark is filed.”

In *The Athletes Foot Marketing Associates Inc v Cobra Sports Ltd. and Another* [1980] RPC 343 Walton J stated:

“However, even if, contrary to the defendants' evidence and the probabilities of the case, the defendants did indeed choose the name because they were aware of the existence of the plaintiff corporation and its activities in the U.S.A., as will appear from the analysis of the cases which I shall make later in this judgment, this would still be, having regard to all the circumstances present in this action, *nihil ad rem*.

Of course, again, it may very well have been that the defendants advanced their own use of the name when they realised, as a result of Mr. Parkin's "cautious conversation" that someone else was about to use their chosen name first. This would be ordinary commercial prudence. All this means legally is that they got their foot in the door first.”

41) At the time of her application Ms Mosquera has established that she had a business and a goodwill in relation to the sign Salsa Babies. By the time that she made her application there was also a conflict with Ms Torres, who a few days earlier had granted a licence to Ms Rickards-Mounie. In the United Kingdom Ms Mosquera was the senior user and she was aware of the conflict with Ms Torres it was, therefore, commercially prudent for her to try and protect her position by making an application for the registration of a trade mark. Taking into account all

of the facts of the case I cannot see how Ms Mosquera's application for the registration of the trade mark can be characterised as being an act of bad faith, she was protecting and bolstering the common-law rights that she had already established in relation to her business and the sign used in relation to it.

42) The ground of opposition under section 3(6) of the Act is dismissed.

Costs

43) Both Ms Torres and Ms Mosquera made references to lost income, effectively seeking some form of damages. I have no power to award any sum in relation to alleged damage, under section 68 of the Act I only have the power to make an award in relation to the costs of the proceedings^x.

44) Ms Mosquera having been successful is entitled to a contribution towards her costs. Ms Mosquera has not been legally represented in these proceedings. It is the registrar's practice to award costs at half the rate that would have been awarded where a party had legal representation.

Considering notice of opposition:	£100
Statement of case in reply:	£50
Preparing and filing evidence:	£500
Considering evidence of Ms Torres:	£250
Written submissions:	£100
Total:	£1,000

I order Jennifer Torres to pay Urska Gestrin Mosquera the sum of £1,000. 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 03 day of November 2009

**David Landau
For the Registrar
the Comptroller-General**

ⁱ 6. - (1) In this Act an “earlier trade mark” means -

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(b) a Community trade mark or international trade mark (EC) which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK),

(ba) a registered trade mark or international trade mark (UK) which-

(i) has been converted from a Community trade mark or international trade mark (EC) which itself had a valid claim to seniority within paragraph (b) from an earlier trade mark, and

(ii) accordingly has the same claim to seniority, or

(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.

ⁱⁱ I bear in mind the judgment of Lord Hoffman in *Designers Guild Ltd v Russell Williams (Textiles) Ltd* [2001] FSR 11.

ⁱⁱⁱ See, for instance: *Croom’s Trade Mark Application* [2005] RPC 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42.

^{iv} *Gromax Plasticulture Limited v. Don and Low Nonwovens Ltd* [1999] RPC 367.

^v *Harrison v Teton Valley Trading Co* [2005] FSR 10.

^{vi} (1) *Barlow Clowes International Ltd. (in liquidation)* (2) *Nigel James Hamilton and (3) Michael Anthony Jordon v (1) Eurotrust International Limited (2) Peter Stephen William Henwood and (3) Andrew George Sebastian* Privy Council Appeal No. 38 of 2004 and *Ajit Weekly Trade Mark* [2006] RPC 25.

^{vii} See *Royal Enfield Trade Marks* [2002] RPC 24.

^{viii} *Re H (minors)* [1996] AC 563.

^{ix} In *Pan World Brands Ltd v Tripp Ltd (Extreme)* [2008] RPC 2 Mr Richard Arnold QC, sitting as the appointed person, stated at paragraph 36:

“Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings which is not obviously incredible and the opposing party has neither given the witness advance notice that his evidence is to be challenged nor challenged his evidence in cross-examination nor adduced evidence to contradict the witness’s evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and it is not open to the opposing party to invite the tribunal to disbelieve the witness’s evidence.”

^x See the decisions of the appointed persons in BL O/398/02 and BL O/078/03.