

O-278-13

TRADE MARKS ACT 1994

IN THE MATTER OF

APPLICATION NO 2599617

IN THE NAME OF

REPTACULAR REPTILES LTD

FOR THE TRADE MARK:

Reptacular Reptiles

IN CLASS 41

AND

THE OPPOSITION THERETO

UNDER NO 103458

BY

REPTACULAR LIMITED

1) On 31 October 2011, an application was filed to register the trade mark Reptacular Reptiles (the trade mark) for services 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) The application was made in the name of Reptacular Reptiles. Reptacular Reptiles Limited was incorporated on 9 November 2011. In the official letter of 17 January 2013 the applicant was requested to state what the legal status of Reptacular Reptiles was. On 24 January 2013 the applicant advised that prior to the incorporation of the company, it was a “not for profit organisation with three members of the partnership”. These three persons were Phillip Black, Sharron Black and John Black. In the official letter of 11 February 2013 the statement of the applicant was commented upon:

“Your letter of 24 January 2013 states that at the time of the filing the trade mark application three persons formed a partnership, namely Mr Philip Black, Mrs Sharron Black and Mr John Black. It also describes the three persons as forming a non profit organisation. The two statements are contradictory; this is because in accordance with the Partnership Act 1890 a partnership carries on a business with a view of profit. Is it the case at the time of filing the trade mark application that rather than forming a partnership, the three persons were joint applicants? Please confirm this by filing a witness statement to explain the original ownership of the application.

The trade mark application currently stands in the name of Reptacular Reptiles, as you have previously stated that the trade mark application is now owned by a limited company, the application will need to be assigned.

* As per the Classification Guide of the Intellectual Property Office (IPO):

In order to allow efficient searching of trade marks the UK uses “The International Classification of Goods and Services”, also known as the “Nice Classification”. The International Classification is administered by the World Intellectual Property Organisation (WIPO) and is used by over 140 countries throughout the world and by organisations such as The Office for Harmonization in the Internal Market (OHIM). Of these countries 78 are party to the Nice Agreement and 68, although not party to it, use the Nice Classification for their classification purposes. The system comprises 45 classes and groups together broadly similar goods or services into categories which assists the registry carrying out efficient searches of the register. Classes 1 – 34 contain goods and classes 35 – 45 contain services. It also allows businesses to check whether there are registered marks that conflict with marks they are using, or propose to use, in respect of particular goods or services. Whilst classification may be seen as an administrative tool its importance to applicants in relation to determining the boundaries of infringement rights cannot be stressed too highly. If the classification of the goods or services on an application is made incorrectly, the validity of any rights stemming from a subsequent registration might be called into question at a later date. This could result in a mark being the subject of proceedings to remove it from the register.

In order to complete a trade mark assignment it is necessary to complete a Form TM16.”

The assignment of the trade mark was recorded by the Intellectual Property Office on 4 March 2013. No witness statement re the status of the original applicants was received.

3) The application was published on 16 December 2011 with the specification:

education and entertainment/event services.

4) On 16 March 2012, a notice of opposition was received from Mr David Charlton. The notice of opposition was received a day late. On 29 May 2012 a joint hearing took place in relation to the late filing of the notice of opposition. The hearing officer decided that the late filing of the notice of opposition was an irregularity that occurred as an error on the part of the registrar. Consequently, the notice of opposition was accepted. (The official letter of 30 May 2012 gives the reasons for the decision.) The opposition was subsequently put into the name of Reptacular Ltd.

5) Proceedings are governed by the Trade Marks Act 1994 (the Act). The Act implements, inter alia, Directive 2008/95/EC of the European Parliament and the Council of 22 October 2008 (the Directive) (as it is now). Consequently, interpretation of the Act is made on the basis of judgments of the Court of Justice of the European Union (CJEU) and the General Court (GC), both with their seats in Luxembourg, as well as those of the courts in the United Kingdom. All of the judgments of the GC (previously the Court of First Instance) and the CJEU can be found at the url:

<http://curia.europa.eu/jurisp/cgi-bin/form.pl?lang=en>

In this case the Act and the Directive set the basic parameters of the dispute, however, as it relates to the law of passing-off, the actual law under consideration is purely domestic.

Decisions of the appointed persons, who are one of the two fora for appeal from decisions of the registrar, can be found on the website of the Intellectual Property Office at the url:

<http://www.ipo.gov.uk/types/tm/t-os/t-find/t-challenge-decision-results.htm>

Decisions of the appointed persons can be identified by the prefix BL (decisions of the registrar also have this prefix). (The other fora for appeal are the High Court and the Court of Session in Scotland.)

Where available the urls for judgments of the courts of England and Wales have been given.

6) The opponent relies upon section 5(4)(a) of the Trade Marks Act 1994 (the Act), which 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 406ⁱ:

“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.”

7) The opponent claims that it first used the name Reptacular Ltd around March 2008 and that it was incorporated as a limited company on 1 October 2008. The opponent claims that it runs an exotic pet store. It claims that it purchases, breeds and sells reptiles and “accessories”. The opponent claims that it also provides education and advice at its business premises, on its website and on Facebook.

8) The opponent claims that it first became aware of the applicant in mid to late 2011 when a customer commented upon the opponent providing children's parties. The opponent does not provide such a service and so it investigated and

found the website of the applicant. The opponent contacted the applicant re the similarity of the names and the businesses in which they were engaged. The opponent claims that the applicant “then proceeded to get a website”. The opponent claims that the applicant, on its Facebook site, advertises that it is “a trademarked company”, which it claims is false. The opponent claims that both companies are based in the North West, deal with reptiles and have the same name. It states that this has affected its business.

9) The opponents claims that it has used Reptacular on clothing, signs, vans, a website, business cards and flyers. It claims that it has advertised in newspapers.

10) The applicant filed a counterstatement. It denies the claims of the opponent and puts it to proof to substantiate the claims that it has made.

11) Both parties filed evidence. A hearing was held on 4 July 2013. The opponent was represented by Mr David Charlton and the applicant by Mr Phillip Black. Neither party has had legal representation during the proceedings.

Evidence

Witness statement of David Charlton of 24 October 2012

12) Mr Charlton states that the opponent first used Reptacular in 2008. He states that it was used prior to this but relies upon the use since the incorporation of the opponent, 1 October 2008. Mr Charlton states that the first use that he can find of the applicant using Reptacular is 5 June 2011; in relation to this he exhibits a screen shot from Facebook, at exhibit 7, which shows that the applicant joined Facebook on that date. Mr Charlton believes that the applicant deliberately tried to benefit from the activities of the opponent.

13) Mr Charlton states that the existence of the applicant was brought to his attention by a customer, Mr Stephen Gary Williams. Mr Charlton exhibits a letter from Mr Williams at exhibit 2. At exhibit 2a is a letter from Funky Monkey Creations. The letter advises it provides “graphics and decals for Reptacular Ltd. We Sign write all of their cars, signs, clothing, etc. We also print and share their business cards (we advertise on the back of the card whilst they have the front).” The writers advise that since advertising on the back of the cards they have had phone calls from people seeking to book Reptacular for a children’s party or other functions and that they advise that they are a graphics company and that the opponent does not provide services for children’s parties or other events. A copy of a business card is exhibited. This gives the website address of the opponent and advises that it supplies reptiles, pets, food and accessories.

14) Mr Charlton states “[t]he education that we provide is to all of our customers, and anyone who emails us for advice. Not only this but we have also advised St

Annes Academy in Middleton regarding reptiles, and regularly help pupils at Hopwood Hall College, Middleton. We also allow pupils to undertake work experience as well as apprenticeships. We have never stated that we visit schools for educational purposes as our insurance does not permit this". Mr Charlton states that the opponent educates "the general public on the internet, via literature wrote by our selves, and also hold workshops in the shop". At exhibit 3 is an undated page from the website of the opponent; included on the page is advice that the opponent provides help and guidance and that on the website there is information about the care of different types of reptiles.

15) Mr Charlton states that the opponent is getting "negative feedback on our almost perfect reputation through the activities and statements made by the applicant". Exhibit 5, 5a and 6 show screenshots from Facebook of men with snakes upon them and children holding a snake. Three of the screenshots were taken on 29 October 2011. The fourth was taken on 1 January 2012. The last page advises that the applicant is "now" a limited company and that its name has been "trademarked".

16) Mr Charlton states that the only other Reptacular that he could find was in Los Angeles. He comments upon how the snakes shown in exhibits 5, 5a and 6 are being treated.

17) Mr Charlton states that "our advertising campaigns were all over the internet from early 2008 right up until this date, including our website, and various other accounts that we have". He states that the majority of the opponent's business comes from the Internet. Mr Charlton states that the opponent receives approximately 1,000 e-mails every week from reptile enthusiasts asking for advice and information. Exhibit 7 is a screenshot, which appears to be a classified advertisement placed on a reptile forum; a price list is given. The screenshot was made on 22 October 2012. The opponent joined the forum in November 2008. The advertisement which is shown on the screen shot is shown to have been placed on 17 November 2008. Exhibit 8 shows a picture of a car with the name Reptacular upon it. Exhibit 9 shows a picture of the outside of a shop upon which the name Reptacular appears and a picture inside the shop upon which Reptacular appears on decals and clocks. Mr Charlton states that Reptacular also appears on clothing that is worn at shows and events that the opponent attends.

18) Mr Charlton gives his view as to the way that the applicant conducts its business and comments upon its ethics.

Witness statement of Phillip John Black of 24 January 2013

19) Mr Black is the managing director of the applicant.

20) In parts of the statement Mr Black repeats what Mr Charlton has stated in order to comment upon it. A large part of the statement can be characterised as submission rather than evidence of fact. These parts of the statement are taken into account in reaching a decision but it is inappropriate to summarise them as evidence. Mr Black quotes from information he has obtained from the Internet re the law of passing-off. Part of this is completely incorrect: “[g]enerally, 5 years use of a logo or design is required in order for goodwill to be established”.

21) Mr Black states that his son, John Black, “devised our name in the Spring of 2006 in a specific way”. He states that the applicant was mentioned in Cheshire Online and Widnes Weekly news articles on 31 July 2009. Exhibited at RRL3 is a copy of an article from Cheshire Online dated 31 July 2009. The article is headed:

“Reptacular Reptiles, stilt walkers, Kemik the Viking, and more entertain residents on Kingsway Biggie Fun Day in Widnes.”

The article includes the following:

“The annual Biggie fun day featured a climbing wall, bungee run, gladiator duel, face painting and Reptacular Reptiles displayed their snakes and allowed those attending to hold them.”

22) Mr Black exhibits at RRL4 two pages downloaded from the Internet on 27 July 2012. These relates to two businesses in the United States of America which deal with animals, including reptiles: Reptacular Animals and Absolutely Reptacular, Inc.

23) Mr Black states that the applicant is “an educational establishment that promotes our passion for these animals.....We do not and have not sold animals or the ancillaries to anyone”. Mr Black states that the businesses are 37.3 miles apart by road. (This is not pertinent, as the application is for a national trade mark and the Internet is not restricted by the locations of the businesses that use it.) Exhibited at RRL5 is a printout of a page from the website of the applicant. The page advises, inter alia, that the services are supplied to “Hen & Stag Do’s”. Exhibited at RRL7 are pages from an Internet search for the term reptacular; the date of the search is not shown but it is assumed that it is contemporaneous with the witness statement and so after the date of the application for registration. Of the seven hits shown, six relate to the opponent and one to the applicant. One of the hits for the opponent, from reptileforums.co.uk, shows that the first posting in relation to the opponent on that website was 29 January 2009. In the various hits it can be seen that the opponent supplies various reptiles and that it has a licence to trade as a pet shop. Exhibited at RRL8 are pages downloaded from the website of the opponent on an unknown date. Reptacular Ltd is described as being suppliers of quality pets, feeds and all accessories. Exhibited at RRL9 is a page downloaded from the website of the applicant. Exhibited at RRL10 is a

screenshot of a page from the website of the opponent upon which it is stated that the opponent has no relationship with the applicant. Mr Black states that the notice has now been removed from the website of the opponent and so “obviously the ‘confusion’ has stopped”.

24) Mr Black states that no one has contacted the applicant in the belief that it was the opponent. He states that his advertising budget is £100 per annum. Mr Black states how the applicant brands and promotes itself. This is not pertinent to the proceedings. The tribunal has to consider the trade mark as applied for and the services that are the subject of the specification.

25) Mr Black gives his view of the ethics of the opponent and criticises its behaviour in the proceedings. Mr Black states that he takes nothing that Mr Charlton states at face value.

Witness statement of John Black of 24 January 2013

26) Mr Black states that in the spring of 2006 after he had been delivering educational reptile talks in the community for a number of years, he decided to think of a catchy name for his business. (It can be deduced from the later contents of the witness statement that in 2006 he was ten years of age.) Mr Black states that at the time he was a member of a reptile forum called Reptastic, which was partly owned by his parents. Mr Black states that he began to consider a name for the business and came up with Reptacular Reptiles. He states that “[t]his business has been my life’s ambition and the culmination of ten years of my passion so far”. (This would put his age at six or seven when he began.)

27) Mr Black states that in 2008 “we received a digital communication from someone claiming to represent Reptacular Ltd, threatening legal action from his ‘team of legal advisors’ if we continued using the name I had originally thought up”. He states that he was “only about twelve” at the time. Mr Black states that his father communicated with Mr Charlton, refuting his claims of being the first to use the word Reptacular. “For a while it went quiet, however last year (2011) after some phenomenal successes with big farm parks in the south of the country, Mr Charlton has returned with a vengeance once again threatening to take action with his ‘legal team’.

28) Mr Black states that the business of the applicant is his business. He states that before Reptacular Reptiles Ltd was incorporated, the applicant used a company to check the availability of the name and was told that it was acceptable and available.

Witness statement of Jackie Peck of 24 January 2013

29) Ms Peck has known Phillip Black, Sharron Black and John Black as friends since 2005. She states that she has also known them through community work that they have undertaken.

30) Ms Peck states that in her community work she has engaged with the Black family and their educational reptile displays at several fun days and community events. She states that it was in spring 2006 that they began using the name Reptacular Reptiles, which had been thought up by John Black; whom she describes as being thirteen years of age at the time. (This is contradictory to the age given by John Black but it can be assumed that he is more aware of his age than Ms Peck). She states that initially they operated in a purely voluntary capacity, only asking for donations towards the upkeep of John Black's animals in return for their displays. She states that since November "last year" they have traded, albeit as a cottage industry, under the name Reptacular Reptiles Ltd.

Witness statement of David Charlton of 20 March 2013

31) The statement consists of a commentary upon the evidence of the applicant rather than evidence of fact. The comments are borne in mind in reaching a decision but it would be inappropriate to summarise them as evidence.

Decision

32) Neither party has had legal representation. This has been reflected in the nature of the evidence filed, the pleadings and problems with the names of the legal entities involved in the proceedings. It is necessary for the tribunal to make the best of what has been presented. The tribunal may rely upon inference but it cannot rely upon conjectureⁱⁱ.

33) The applicant has commented upon how it trades and how the business is promoted. The tribunal is not considering how the applicant has, does or will trade. It can only consider the trade mark as filed on the application and the services for which protection is sought; with the proviso that use of the trade mark may have to be considered in relation to the material date (see below). The current, past or proposed marketing of the applicant is not relevant to the issues to be determined, as the GC stated in *NHL Enterprises BV v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-414/05:

"71 The Court considers, first, that that assessment by the Board of Appeal is not called in question by the particular conditions in which the applicant's goods are marketed, since only the objective marketing conditions of the goods in question are to be taken into account when determining the respective importance to be given to visual, phonetic or

conceptual aspects of the marks at issue. Since the particular circumstances in which the goods covered by the marks at issue are marketed may vary in time and depending on the wishes of the proprietors of those marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, namely that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions of the trade mark proprietors – whether carried out or not – which are naturally subjective (see, to that effect, *NLSPORT*, *NLJEANS*, *NLACTIVE* and *NLCollection*, cited at paragraph 61 above, paragraph 49, and Case T-147/03 *Devinlec v OHIM – TIME ART (QUANTUM)* [2006] ECR II-11, paragraphs 103 to 105, upheld on appeal by the Court by judgment of 15 March 2007 in Case C-171/06 P *TIME ART v OHIM*, not published in the ECR, paragraph 59).”

The same reasoning can be seen in *Phildar SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-99/06, *Oakley, Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-116/06, *Devinlec Développement Innovation Leclerc SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 147/03, *Sadas SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-346/04 and *Daimlerchrysler AG v Office for Harmonization In the Internal Market (Trade Marks and Designs) Case T-358/00*. The matter has to be considered on the basis of notional and fair use of the trade mark and the specification of the application.

Material date

34) Trade mark and passing-off cases have to be considered in relation to a particular point(s) in time. 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 (the regulation in relation to the Community trade mark). This was the subject of consideration by the GC 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 which the GC 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.”

It is necessary for the opponent to establish that, at the date of the filing of the application for registration of the trade mark, 31 October 2011, it had a protectable goodwill in relation to the sign upon which it relies.

35) Consideration has also to be given to the position at the date that the behaviour complained of commencedⁱⁱⁱ, if this is earlier than the date of application. This has to be considered when the trade mark the subject of the application has been used prior to the date of application for the same service or some services of the application. The trade mark of the applicant was used prior to the date of application, although not for the vast majority of the services of the application. This matter will be returned to below.

36) Goodwill was described by Lord Macnaghten in *IRC v Muller & Co's Margarine Ltd* [1901] AC 217 in the following terms:

"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."

37) Goodwill relates to a business. It is generated by the activities of the business; having a name on a company register or a registered trade mark does not generate goodwill. Other than as a registered trade mark, no rights are

generated by a word. No rights are engendered by coining a word. Parker J in *Burberrys v J C Cording & Co Ltd* [1909] 26 RPC 693 held:

“The principles of law applicable to a case of this sort are well known. On the one hand, apart from the law as to trade marks, no one can claim monopoly rights in the use of a word or name. On the other hand, no one is entitled by the use of any word or name, or indeed in any other way, to represent his goods as being the goods of another to that other’s injury. If an injunction be granted restraining the use of a word or name, it is no doubt granted to protect property, but the property, to protect which it is granted, is not property in the word or name, but the property in the trade or good-will which will be injured by its use. If the use of a word or a name be restrained, it can only be on the ground that such use involves a misrepresentation, and that such misrepresentation has injured, or is calculated to injure another in his trade or business.”

Millett LJ in *Harrods Ltd v Harrodian School Ltd* [1996] RPC 697 stated:

“It is well settled that (unless registered as a trade mark) no one has a monopoly in his brand name or get up, however familiar these may be. Passing off is a wrongful invasion of a right of property vested in the plaintiff; but the property which is protected by an action for passing off is not the plaintiff’s proprietary right in the name or get up which the defendant has misappropriated but the goodwill and reputation of his business which is likely to be harmed by the defendant’s misrepresentation: see *Reddaway v. Banham* [1896] A.C. 199 per Lord Herschell; *Spalding v. Gamage* (1915) 32 R.P.C. 273 at page 284 per Lord Parker; *H.P. Bulmer Ltd. and Showerings Ltd. v. J. Bollinger SA and Champagne Lanson Pere et Fils* (the Bollinger case) [1978] R.P.C. 79 at page 93-4 per Buckley L.J.”

38) In considering a case brought upon the basis of the law of passing-off, it is first necessary to ascertain whether there is a protectable goodwill and, if there is, what sign or signs are used in relation to that goodwill.

39) In his evidence, Mr Phillip Black claims that it is necessary for five years use for goodwill to be established. As noted above this is completely incorrect; it has no basis in law whatsoever. There are no time requirements. The law of passing-off protects small goodwill, although it does not protect trivial goodwill^{iv}. In *Stannard v Reay* [1967] FSR 140, in granting injunctive relief before full trial, it was held:

“...even though the plaintiffs had only been trading for about three weeks, there was evidence of substantial takings by the business which fell when the defendants commenced trading. It was not impossible for goodwill in a new kind of business to be built up in a short period of time...”

40) In its statement of grounds, the opponent relies upon the sign Reptacular Ltd. This dispute relates to the use of the word Reptacular and it would be captious, taking into account the lack of legal representation, to only take into account use of the sign Reptacular Ltd. The consideration of goodwill and the sign used in relation to it will be made on the basis of the use of the sign Reptacular.

41) Pumfrey J in *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19^v stated:

“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.”

(goodwill is often referred to as reputation)

The judgments in *Phones 4u Ltd v Phone4u.co.uk. Internet Ltd* [2007] RPC 5^{vi} and *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat)^{vii} show that the question of goodwill cannot be established by the application of a formula. In the latter judgment Floyd J stated:

“8 Those observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent’s reputation extends to the goods comprised in the application in the applicant’s specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

42) The opponent has not filed any figures relating to turnover and promotion or filed copies of any accounts or copies of invoices. It has given no indication of the number of staff who are employed. Most of the exhibits it has filed are without provenance as to date or, where there is a date, it is after the date of the application for registration. The incorporation of a company does not generate goodwill. The screen shot of the forum at exhibit 7 shows that the opponent first joined the forum in November 2008 and the advertisement bears a date of 17 November 2008. The only other reference to date in the evidence of the opponent is the statement by Mr Charlton that:

“Our advertising campaigns were all over the internet from early 2008 right up until this date.”

There is an absence of supporting evidence in relation to this. Mr Charlton goes on to state that the opponent receives in the region of 1,000 e-mails a week from reptile enthusiasts asking for advice and information. This would mean that by the time of the filing of the evidence there would have been approximately 55,000 e-mails. None of these have been adduced into the proceedings.

43) Mr Richard Arnold QC, sitting as the appointed person in *Tripp Limited v Pan World Brands Limited* BL O/161/07 stated:

“33. *Phipson on Evidence* (16th ed) states at paragraph 12-12:

In general a party is required to challenge in cross-examination the evidence of any witness of the opposing party if he wishes to submit to the court that the evidence should not be accepted on that point. The rule applies in civil cases as it does in criminal. In general the CPR does not alter that position.

This rule [sic] serves the important function of giving the witness the opportunity of explaining any contradiction or alleged problem with his evidence. If a party has decided not to cross-examine on a particular important point, he will be in difficulty in submitting that the evidence should be rejected.

However the rule is not an inflexible one...

34. The authority cited in support of this statement of the law is the decision of the House of Lords in *Browne v Dunn* (1894) 6 R 67. The relevant passages from the speeches are set out in the judgment of Hunt J in *Allied Pastoral Holdings v Federal Commissioner of Taxation* (1983) 44 ALR 607, the material parts of which are quoted in the judgment of the Court of Appeal in *Markem Corp v Zipher Ltd* [2005] EWCA Civ 267, [2005] RPC 31 at [59]-[60].

35. In my judgment the learned editors of *Phipson* are correct to say that the rule is not an inflexible one. There are at least two well-established

exceptions to it. The first is that, as the speech of Lord Herschell LC in *Browne v Dunn* makes clear, it may not be necessary to cross-examine on a point if the witness has been given full notice of it before making his statement. As I pointed out in *BRUTT Trade Marks* [2007] RPC 19 at [23], this may be significant in registry proceedings where evidence is given sequentially. The second is that a court is not obliged to accept a witness's evidence in the absence of cross-examination if it is obviously incredible: see *National Westminster Bank plc v Daniel* [1993] 1 WLR 1453.

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."

44) It would seem that the opponent is trying to establish that it has goodwill in relation to educational services. Mr Charlton states that it receives 1,000 e-mails a week seeking advice and information. He does not adduce any of these e-mails. He does not substantiate the claim with evidence of web traffic. Taking into account the absence of substantiating evidence, the lack of anything suggesting that the opponent could cope with responding to 1,000 e-mails a week; the statement is obviously incredible and is rejected. The evidence of both applicant and opponent show that the business of the opponent is that of a pet shop, a pet shop that specialises in reptiles. Retail establishments invariably give advice in relation to their products which they sell; this does not give them goodwill in relation to educational services. The attractive force of the business of the opponent is that of a pet shop with specialism in reptiles, if there is goodwill it relates to this business.

45) The applicant makes claims as to its business. In her statement, Ms Peck states that the first use by the applicant of Repticular Reptiles was in 2006. This use was in relation to a voluntary operation in which the reptiles of the Black family were shown at local community events. She states that donations were sought by those who attended the events for the upkeep of the reptiles. This is also the sort of use which is demonstrated in the press article exhibited at RRL3. Use in this manner is use in relation to a hobby; it is not use in relation to a business. It is not excluded that use in relation to a hobby could also be use in relation to a business but it is not possible to see the use shown in this case to be use in relation to a business which was attracting custom, which is the basis for establishing goodwill. At some stage, as demonstrated by the website of the applicant, the use became of a nature that could be described as a business. In his statement, Mr John Black states that the opponent first contacted him in 2008. However, in its statement of grounds, the opponent states that the

applicant was brought to its attention in mid to late 2011. The letter exhibited at exhibit 2 to the first witness statement of Mr Charlton relates to the first notification of the business of the applicant to the opponent. However, it gives no date as to when the writer was the victim of confusion. Equally, the letter at exhibit 2a gives no identification of when the confusion took place. In evidence in reply, Mr Charlton attacks the general veracity of the witness statement of John Black. It is not clear if he is denying that he first objected to the use of Reptacular Reptiles by the applicant in 2008. In the absence of clarity in the evidence in reply it cannot be decided when Mr Charlton first contacted John Black. It is also unclear if there were such an objection whether it related simply to the use of the name in the hobby context or if it was objecting to the use in relation to a business. Consequently, the evidence in relation to the initial complaint by Mr Charlton is of no assistance in establishing when the applicant was first functioning as business by reference to Reptacular Reptiles. At exhibit 7 to the first witness statement of Mr Charlton there is a screenshot of a Facebook page of the applicant, this shows that the applicant joined Facebook on 5 June 2011. However, having a Facebook page does not establish that there was a business with goodwill at that date. At exhibit 4 to the first witness statement of Mr Charlton there is a screenshot of the website of the applicant, this was taken on 29 October 2011. Exhibited at RRL11 is e-mail correspondence in relation to a complaint made by the opponent to the website designer and host of the applicant. This would indicate that the applicant had a business prior to 29 October 2011 but it is not possible to ascertain when the business commenced and the extent of the business.

46) As noted in paragraph 42, there is an absence of corroborative evidence and detail in the evidence of the opponent. The registration of a company name is not indicative of a business being conducted by reference to that name. Particularly, there is an absence of evidence in relation to the material date. As well as an absence of accounts and invoices, there is an absence of documentation relating to the supply of utilities to the premises, of correspondence with Her Majesty's Revenue and Customs, with the local authority in relation to business rates etc. This is not to impose a formula for showing goodwill but to identify the sort of evidence that could have been readily filed. The evidence does show that as of 17 November 2008 that the opponent was advertising certain of its wares. This was advertising on a forum. There is no information as to how many people responded to the advertisement, if any. The screenshot at exhibit 7 does show that by 22 October 2012 there had been 1,961 posts. However, this date is well after the date of the application and so is not of assistance. There is not a different standard of proof for those with legal representation and those without. As has been indicated there are simple ways to establish goodwill and the date from which the goodwill emanates eg invoices and accounts. Mr Charlton refers to the importance of the opponent's website for the business but gives no images of pages from the website prior to the date of application; which can be obtained from the WayBack Machine. He gives no indications of web traffic; which should be simple enough to obtain.

47) Mr Geoffrey Hobbs QC, sitting as the appointed person, in *Lee Alexander McQueen v Nicholas Steven Croom* BL O-120-04 held:

“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.”

48) In this case it is not possible to establish who is the senior user ie who had the earlier goodwill. Moreover, the evidence of the opponent might allow for conjecture that it had protectable goodwill at the date of the application for registration but it does not establish it. **Consequently, the opposition must be dismissed.**

Costs

49) The applicant having been successful it is entitled to a contribution towards its costs. The applicant has not had legal representation. The hearing was held by telephone and so it incurred no costs in relation to going to the hearing. At the hearing Mr Black stated that the business of the applicant was not a full time business and that he and his son had full time jobs; consequently, an award of costs is not made in respect of the attendance at the hearing. An appropriate sum for the filing of a counterstatement and defence, evidence and considering the evidence of the opponent is £200.

Reptacular Ltd is ordered to pay Reptacular Reptiles Ltd the sum of £200. 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 9th day of July 2013

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

ⁱ The judgment can be found at the url:

<http://www.bailii.org/uk/cases/UKHL/1990/12.html>

ⁱⁱ *Jones v Great Western Railway Company* (1930) 144 LT194 at page 202. Lord Macmillian held that "[t]he dividing line between conjecture and inference is often a very difficult one to draw. A conjecture may be plausible but it is of no legal value, for its essence is that it is a mere guess. An inference in the legal sense, on the other hand, is a deduction from the evidence, and if it is a reasonable deduction it may have the validity of legal proof".

ⁱⁱⁱ *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429 and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2004] RPC 8 and 9. The *Inter Lotto* judgments can be found at:

<http://www.bailii.org/ew/cases/EWHC/Ch/2003/1256.html>

and

<http://www.bailii.org/ew/cases/EWCA/Civ/2003/1132.html>

^{iv} *Hart v Relentless Records* [2002] EWHC 1984, *Stannard v Reay* [1967] FSR 140, *Teleworks v Telework Group* [2002] RPC 27 and *Stacey v 2020 Communications* [1991] FSR 49. The first judgment can be found at:

<http://www.bailii.org/ew/cases/EWHC/Ch/2002/1984.html>

^v The judgment can be found at:

<http://www.bailii.org/ew/cases/EWHC/Ch/2001/420.html>

^{vi} The judgment can be found at:

<http://www.bailii.org/ew/cases/EWCA/Civ/2006/244.html>

^{vii} The judgment can be found at:

<http://www.bailii.org/ew/cases/EWHC/Patents/2008/1960.html>