

O-495-15

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 3064148
BY GUY WEAVER
TO REGISTER THE TRADE MARK:
DURASTONE
IN CLASS 21
AND**

**IN THE MATTER OF OPPOSITION
THERE TO UNDER No. 403193 BY
WARIMEX WAREN-IMPORT EXPORT HANDELS GMBH**

BACKGROUND

- 1) On 14 July 2014, Guy Weaver (hereinafter the applicant) applied to register the trade mark shown on the above page in respect of the following goods in Class 21: Frying pans; pans.
- 2) The application was examined and accepted, and subsequently published for opposition purposes on 8 August 2014 in Trade Marks Journal No.2014/033.
- 3) On 7 November 2014 Warimex Waren-Import Export Handels GmbH (hereinafter the opponent) filed a notice of opposition, subsequently amended. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade marks:

Mark	Number	Date of application / registration	Class	Specification relied upon
Stone	CTM 8945719	11.03.10 20.09.10	21	Pots and pans, both of metal or metal alloys
STONELINE Colours Claimed/Indication Beige, grey.	CTM 7016041	25.06.08 29.01.09	21	Pans and pots, all being predominantly of metal.
STONELINE	CTM 11411063	10.12.12 29.04.13	21	Household or kitchen utensils and containers (not of precious metal and polished); Pots, pans, roasters, all of the aforesaid goods being made in particular from aluminium, stainless steel or cast aluminium, however not including earthenware; Baking dishes; Glass tableware, Porcelain ware, In particular including fire-resistant crockery; Cups, Table plates, Dinner services; Microwavable dishes; Oven-to-table tableware; Salad bowls, Serving bowls, Cocktail shakers; Napkin rings; Cloths for cleaning (in particular made from microfibres); Butter rollers; Salt and pepper pots; Cruets; Glass lids for pots and pans; Souffle dishes; Whisks, milk frothers, all being non-electric; Cutting boards for the kitchen; Garlic presses; Storage containers (vacuum boxes); Tea and coffee filtering apparatus (non-electric); Hob cover plates (made from glass, plastic or wood).

b) The opponent contends that the mark in suit is confusingly similar to its registered trade marks shown above. It states that the goods applied for in the mark in suit are similar or identical to those for which its marks are registered. The mark in suit therefore offends against section 5(2)(b) of the Act.

c) The opponent contends that it has used the marks STONE and STONELINE throughout the UK since 1 January 2010 in relation to pots, pans and frying pans. The opponent contends that it has goodwill and reputation in the marks STONE and STONELINE and that use of the mark in suit would cause misrepresentation and damage to its goodwill. The mark in suit therefore offends against section 5(4)(a) of the Act.

d) The opponent contends that the applicant purchased approximately 2000 of its pots and pans for re-sale to the public and so was well aware of the opponent's reputation in the marks STONE

and STONELINE. The opponent contends that the applicant filed the application in bad faith contrary to section 3(6) of the Act.

4) On 9 January 2015, the applicant filed a counterstatement subsequently amended. Basically, it denied all the grounds including the issue of bad faith. It points out that its first application was filed on 27 January 2014 but was withdrawn as the fee was not paid. It also claims to have been using the mark in suit since 15 May 2014 in the UK. The counterstatement also points out that mere knowledge of a third party use of a mark is not sufficient to show bad faith. It puts the opponents to strict proof of use.

5) Both sides filed evidence. Both parties seek an award of costs in their favour. Neither side wished to be heard; both sides provided written submissions.

OPPONENT'S EVIDENCE

6) The opponent filed a witness statement, dated 12 March 2015, by David Tate the opponent's Trade Mark Attorney. He states that he is authorised to make the statement and that the facts contained come from the opponent. At exhibit DT1 he provides copies of two invoices relating to the sale of 200 frying pans under the trade mark STONELINE to two UK companies, Qudos Marketing Ltd and Sprint Shift Ltd. The customer reference on both invoices is Guy Weaver. The invoices are dated 29 April 2014 and 20 May 2014. He provides the following exhibits:

- DT2: a copy of an advertisement which appeared on 7 June 2014 in the Daily Express newspaper. The advertisement was placed by Qudos Marketing and refers to the frying pan under the mark STONELINE.
- DT3: Screenshots from the website www.Qudosmarketing.co.uk dated 13 June 2014 which show a frying pan set for sale under the mark STONELINE.
- DT4: Screenshots from the website www.qvcuk.com which show a STONELINE frying pan for sale. Whilst the pages are not dated the comments from customers show posting dates of January- August 2011. Other pages show use on various pans and knives but appear to be from a German website and are undated.
- DT5: A list of UK customers who have purchased STONELINE pans between 3 March 2010 and 1 March 2015. The purchases are spread reasonably consistently across the period and appear to cover the whole of the UK.
- DT6: Consists of a selection of invoices. There are a nineteen dated between September 2010 and February 2012 to QVC in Liverpool. All relate to STONELINE pans including frying pans and amount to some 7,842 items. There are also twenty five dated between May 2009 and March 2011 addressed to Lakeland based in Cumbria. All relate to STONELINE pans/frying pans and amount to 26,098 items.

APPLICANT'S EVIDENCE

7) The applicant filed a witness statement, dated 24 April 2015 by Guy Weaver who describes himself as a sole trader and also a director of Qudos Marketing Ltd. He simply provides a number of exhibits without comment.

- 1: Copies of screenshots from the opponent's website which refers to its "professional cookware with real particles of stone". There are a number of other references to stone particles in the STONELINE range. It is clear from the opponent's website that the pans sold under this mark have particles of stone within them which are said to improve the cooking as it is like cooking on a hot stone and also make the pan scratch resistant.
- 2: Examples of other registered marks containing the word stone in class 21. Also included are pages from the internet for pans, including frying pans, offered under trade marks which include the word STONE within the mark. All are dated April 2015. These include marks such as Hotstone; Blackstone; Silverstone; Stoneglass; Unistone; Colour Stone; Wild Stone; Ecostone; Stone Wave; Stoneamic; Hardstone; Stonecast and Tecstone all of which appear to be registered for pans and utensils.
- 3: A copy of an advertisement in the Sunday Mirror newspaper, said to date from 27 July 2014, relating to the applicant's products under the mark in suit.
- 4: Screenshots relating to the applicant's first application to register the mark in suit with the IPO. This shows a filing date of 27 July 2014 and was for the mark DURASTONE in relation to class 21 goods.
- 5: Screenshots from the IPO register showing A365Ltd's registration for the mark DURASTONE for plastic in class 17 and worktops in class 20. It was filed on 22 May 2006 and registered on 22 December 2006.
- 6: Copies of documents showing Mr Weaver as a director of A365Ltd.
- 7: Copies of documents showing Mr Weaver as a director of Qudos Marketing Ltd.
- 8: Information regarding stone coated pans for sale. These show use of marks such as "Regis Stone Stoneware".
- 9: Copies of submissions in relation to invalidity 000006574 and appeal against the opponent's mark 7016041. These are all in German.
- 10. Screenshots from the website of Qudos Marketing showing the applicant's goods offered for sale under the mark in suit, dated 15 May 2014

OPPONENT'S EVIDENCE IN REPLY

8) The opponent filed a witness statement, dated 13 August 2015, by Mr Tate who has provided evidence earlier in this case. He provides the following exhibits:

- DT(2)1: This shows company details for A365 Ltd company number 08449289 which was incorporated on 18 March 2013 and so could NOT have filed an application for a trade mark in 2006 as claimed by the applicant.
- DT(2)2: Details of various IPO registrations relating to marks referenced at exhibit 2 of Mr Weavers statement. These documents show that a number of the marks being relied upon by Mr Weaver are NOT registered for pans in Class 20.

9) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

10) The first ground of opposition is based on section 5(2)(b) which reads:

“5.-(2) A trade mark shall not be registered if because -

(a)

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

11) An “earlier trade mark” is defined in section 6, the relevant part of which states:

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

(a) a registered trade mark, international trade mark (UK) or Community trade mark 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.”

12) The opponent is relying upon its three trade marks listed in paragraph 3 above which are clearly earlier trade marks. The applicant requested that the opponent provide proof of use and, given the interplay between the dates that the opponent’s marks CTM 8945719, CTM 7016041 and CTM 11411063 (which were registered on 20 September 2010, 29 January 2009 and 29 April 2013 respectively), and the date that the applicant’s mark was published (8 August 2014), section 6A of the Trade Marks Act does not come into play in respect of CTM 8945719 or CTM 11411063 but it does apply to the opponent’s mark CTM 7016041. For the sake of completeness I will consider the proof of use issue. Section 6A of the Act states:

“6A Raising of relative grounds in opposition proceedings in cases of non-use.

(1) This section applies where-

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if-

- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes-

- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
 - (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
- (5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.
- (6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(7) Nothing in this section affects –

- (a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or
- (b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

13) I must first consider whether the opponent has fulfilled the requirement to show that genuine use of its marks has been made. In the instant case the publication date of application 3064148 was 8 August 2014, therefore the relevant period for the proof of use is 9 August 2009 – 8 August 2014. In *Stichting BDO v BDO Unibank, Inc.*, [2013] F.S.R. 35 (HC), Arnold J. stated as follows:

“51. Genuine use. In *Pasticceria e Confetteria Sant Ambroeus Srl v G & D Restaurant Associates Ltd* (SANT AMBROEUS Trade Mark) [2010] R.P.C. 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in *Ansul BV v Ajax Brandbeveiliging BV* (C-40/01) [2003] E.C.R. I-2439; [2003] R.P.C. 40 ; *La Mer Technology Inc v Laboratoires Goemar SA* (C-259/02) [2004] E.C.R. I-1159; [2004] F.S.R. 38 and *Silberquelle GmbH v Maselli-Strickmode GmbH* (C-495/07) [2009] E.C.R. I-2759; [2009] E.T.M.R. 28 (to which I have added references to *Sunrider v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) (C-416/04 P) [2006] E.C.R. I-4237):

(1) Genuine use means actual use of the mark by the proprietor or third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely token, which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider* [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] -[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no de minimis rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]”.

14) Although minimal use may qualify as genuine use, the CJEU stated in Case C-141/13 P, *Reber Holding GmbH & Co. KG v OHIM* (in paragraph 32 of its judgment), that “*not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question*”. The factors identified in point (5) above must therefore be applied in order to assess whether minimal use of the mark qualifies as genuine use.

15) Also in *Laboratoire de la Mer* Trade Mark [2006] FSR 5, the Court of Appeal held that sales under the mark to the trade may qualify as genuine use. Mummery L.J. stated that:

“31. After some hesitation I have reached a different conclusion from Blackburne J. on the application of the Directive, as interpreted in *Ansul* and *La Mer* , to the rather slender facts found by Dr Trott.”

32. Blackburne J. interpreted and applied the rulings of the Court of Justice as placing considerably more importance on the market in which the mark comes to the attention of *consumers and end users* of the goods than I think they in fact do. I agree with Mr Tritton that the effect of Blackburne J.'s judgment was to erect a quantitative and qualitative test for market use and market share which was not set by the Court of Justice in its rulings. The Court of

Justice did not rule that the retail or end user market is the only relevant market on which a mark is used for the purpose of determining whether use of the mark is genuine.

33. Trade marks are not only used on the market in which goods bearing the mark are sold to consumers and end users. A market exists in which goods bearing the mark are sold by foreign manufacturers to importers in the United Kingdom. The goods bearing the LA MER mark were sold by Goëmar and bought by Health Scope Direct on that market in arm's length transactions. The modest amount of the quantities involved and the more restricted nature of the import market did not prevent the use of the mark on the goods from being genuine use on the market. The Court of Justice made it clear that, provided the use was neither token nor internal, imports by a single importer could suffice for determining whether there was genuine use of the mark on the market.

34. There was some discussion at the hearing about the extent to which Goëmar was entitled to rely on its intention, purpose or motivation in the sales of the goods bearing the mark to Health Scope Direct. I do not find such factors of much assistance in deciding whether there has been genuine use. I do not understand the Court of Justice to hold that subjective factors of that kind are relevant to genuine use. What matters are the objective circumstances in which the goods bearing the mark came to be in the United Kingdom. The presence of the goods was explained, as Dr Trott found, by the UK importer buying and the French manufacturer selling quantities of the goods bearing the mark. The buying and selling of goods involving a foreign manufacturer and a UK importer is evidence of the existence of an economic market of some description for the goods delivered to the importer. The mark registered for the goods was used on *that* market. That was sufficient use for it to be genuine use on the market and in *that* market the mark was being used in accordance with its essential function. The use was real, though modest, and did not cease to be real and genuine because the extinction of the importer as the single customer in the United Kingdom prevented the onward sale of the goods into, and the use of the mark further down, the supply chain in the retail market, in which the mark would come to the attention of consumers and end users.”

16) Whilst Neuberger L.J. (as he then was) stated:

“48. I turn to the suggestion, which appears to have found favour with the judge, that in order to be “genuine”, the use of the mark has to be such as to be communicated to the ultimate consumers of the goods to which it is used. Although it has some attraction, I can see no warrant for such a requirement, whether in the words of the directive, the jurisprudence of the European Court, or in principle. Of course, the more limited the use of the mark in terms of the person or persons to whom it is communicated, the more doubtful any tribunal may be as to whether the use is genuine as opposed to token. However, once the mark is communicated to a third party in such a way as can be said to be “consistent with the essential function of a trademark” as explained in [36] and [37] of the judgment in *Ansul*, it appears to me that genuine use for the purpose of the directive will be established.

49. A wholesale purchaser of goods bearing a particular trademark will, at least on the face of it, be relying upon the mark as a badge of origin just as much as a consumer who purchases such goods from a wholesaler. The fact that the wholesaler may be attracted by the mark because he believes that the consumer will be attracted by the mark does not call into question the fact that the mark is performing its essential function as between the producer and the wholesaler.”

17) When considering the evidence filed I take into account the comments in *Awareness Limited v Plymouth City Council*, Case BL O/230/13, where Mr Daniel Alexander Q.C. as the Appointed Person stated that:

“22. The burden lies on the registered proprietor to prove use..... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

and further at paragraph 28:

“28. I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted.”

18) I also look to the case of *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL O/404/13, where Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not 'show' (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use."

19) The opponent has provided evidence of advertising in a national newspaper, a list of consumers throughout the UK who it states has purchased its products as well as a number of invoices to QVC and Lakeland for substantial number of pans. I also take into account that it provided 20,000 pans to the applicant within the relevant period. This evidence has not been challenged. All of the evidence is in relation to use of the word STONELINE in a plain font. I must determine whether use of this word can be taken as use of the opponent's mark CTM 7016041. In *Nirvana Trade Mark*, BL O/262/06, Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under s.46(2) of the Act (which is the same as that for section 6) as follows:

"33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter's distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

20) Similar comments have also been made in *Remus Trade Mark* – BL O/061/08 (Appointed Person) & *AO Alfa-Bank v Alpha Bank A.E.* - 2011 EWHC 2021 (Ch) and *Orient Express Trade Mark* - BL O/299/08 (Appointed Person). Although these cases were decided before the judgment of the Court of Justice of the European Union ("CJEU") in *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, they remain sound law so far as the question is whether the use of a mark in a different form constitutes genuine use of the mark as registered. The later judgment of the CJEU must also be taken into account where the mark is used as registered, but as part of a composite mark. For ease of reference the registered mark is as follows:



21) The mark is subject to a colour claim which is for the colours "Beige and Grey". Whilst the mark has a degree of stylisation it is very obviously the word STONELINE. To my mind the stylisation is such that the average consumer will not find it particularly distinctive or dominant. Neither the colour nor the stylisation alters the distinctive character of the mark. Use of the plain word "STONELINE" is, in my opinion, use of the mark shown in paragraph 20.

22) I now turn to consider what goods the mark has been used upon and the specification it is entitled to rely on for the purposes of the comparison. Mr Justice Arnold (as he now is) in his judgments as The Appointed Person in *Nirvana Trade Mark* BL O-262-06 and *Extreme Trade Mark* BL O-161-07 comprehensively examined the case law in this area. His conclusion in *Nirvana* was that:

“(1) The tribunal’s first task is to find as a fact what goods or services there has been genuine use of the trade mark in relation to during the relevant period: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [30].

(2) Next the tribunal must arrive at a fair specification having regard to the use made: *Decon v Fred Baker* at [23]; *Thomson v Norwegian* at [31].

(3) In arriving at a fair specification, the tribunal is not constrained by the existing wording of the specification of goods or services, and in particular is not constrained to adopt a blue-pencil approach to that wording: *MINERVA* at 738; *Decon v Fred Baker* at [21]; *Thomson v Norwegian* at [29].

(4) In arriving at a fair specification, the tribunal should strike a balance between the respective interests of the proprietor, other traders and the public having regard to the protection afforded by a registered trade mark: *Decon v Fred Baker* at [24]; *Thomson v Norwegian* at [29]; *ANIMAL* at [20].

(5) In order to decide what is a fair specification, the tribunal should inform itself about the relevant trade and then decide how the average consumer would fairly describe the goods or services in relation to which the trade mark has been used: *Thomson v Norwegian* at [31]; *West v Fuller* at [53].

(6) In deciding what is a fair description, the average consumer must be taken to know the purpose of the description: *ANIMAL* at [20].

(7) What is a fair description will depend on the nature of the goods, the circumstances of the trade and the breadth of use proved: *West v Fuller* at [58]; *ANIMAL* at [20].”

23) The specification for CTM 7016041 is “pans and pots: all being predominantly of metal”. The evidence shows that the mark was used on pots and pans. Therefore, I shall use the specification as registered in the comparison test.

24) When considering the issue under section 5(2)(b) I take into account the following principles which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;
- (f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;
- (g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;
- (h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;
- (i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

The average consumer and the nature of the purchasing decision

25) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods; I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

26) Both parties' specifications are for, broadly speaking, pots and pans. Such goods can vary somewhat in their prices but these goods would not be considered to be overly complex. The goods would be purchased by the average member of the public and businesses. Such goods tend, for the most part, to be purchased in shops, online or from brochures. In retail outlets they will be self selected and the visual aspect will be the most important element. When using a specialist kitchenware shop or if ordering by telephone aural considerations will come into play but the initial

choice will still be made visually. Businesses will also be customers but I believe that they will make their choices in a similar way, be it from the internet, a brochure or from a salesperson. They may also order via the telephone or in person. Effectively they have the same issues as the general public and I regard them to be the same. I accept that the more expensive pans, i.e. professional range, may be researched or discussed with a member of staff. Such items are not purchased everyday and so **overall, the average consumer will pay an average degree of attention to the selection of pots and pans.**

Comparison of goods

27) The mark in suit has a specification of “Frying pans; pans”. All three of the opponent’s marks have the words “pots and pans” within their specifications. **The goods of the two parties are clearly identical.**

Distinctive character of the earlier trade mark

28) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

29) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.’

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

30) However the independent and distinctive element does not need to be identical. In *Bimbo SA v OHIM*, Case T-569/10, the General Court held that:

"96. According to the case-law, where goods or services are identical there may be a likelihood of confusion on the part of the public where the contested sign is composed by juxtaposing the company name of another party and a registered mark which has normal distinctiveness and which, without alone determining the overall impression conveyed by the composite sign, still has an independent distinctive role therein (Case C-120/04 *Medion* [2005] ECR I-8551, paragraph 37). There may also be a likelihood of confusion in a case in which the earlier mark is not reproduced identically in the later mark (see, to that effect, Joined Cases T-5/08 to T-7/08 *Nestlé v OHIM – Master Beverage Industries (Golden Eagle and Golden Eagle Deluxe)* [2010] ECR II-1177, paragraph 60)."

31) In *Aveda Corp v Dabur India Ltd* [2013] EWHC 589 (Ch), Arnold J. stated that:

"47. In my view the principle which I have attempted to articulate in [45] above is capable of applying where the consumer perceives one of the constituent parts to have significance independently of the whole, but is mistaken as to that significance. Thus in *Bulova Accutron* the earlier trade mark was ACCURIST and the composite sign was BULOVA ACCUTRON. Stamp J. held that consumers familiar with the trade mark would be likely to be confused by the composite sign because they would perceive ACCUTRON to have significance independently of the whole and would confuse it with ACCURIST.

48. On that basis, I consider that the hearing officer failed correctly to apply *Medion v Thomson*. He failed to ask himself whether the average consumer would perceive UVEDA to have significance independently of DABUR UVEDA as a whole and whether that would lead to a likelihood of confusion."

32) Two of the opponent's marks (CTM7016041 & CTM11411063) consist of the words "STONE" and "LINE" conjoined. Both are well known English words. It is clear from the opponent's website that the pans sold under this mark have particles of stone within them which are said to improve the cooking as it is like cooking on a hot stone and also make the pan scratch resistant. The word "LINE" has no significance to the goods but will, in my opinion, be viewed as a reference to the range of pans which have this particular coating. In my opinion as neither word is dominant, both being allusive terms, the distinctiveness lies within the whole of the mark. **Overall the opponent's marks (CTM7016041 & CTM11411063) have a low level of inherent distinctiveness. Whilst the opponent has filed evidence of use of its marks in the UK it has not provided evidence of market share, and the evidence shows only a small amount of sales. Taken overall, the evidence is not enough for the opponent to benefit from enhanced distinctiveness.**

33) I now turn to the opponent's mark CTM 8945719 which is for the word "STONE". The same contentions apply in that the mark is a well known English word which has an obvious meaning as demonstrated by the opponent's own website. It is clearly allusive of the item. However, as a registered mark there is a presumption of validity. No evidence of use of this mark has been provided and **so I regard this mark as having a low level of inherent distinctiveness and which cannot benefit from enhanced distinctiveness through use.**

Comparison of trade marks

34) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

35) It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by them. As two of the opponent's marks consist of the word STONELINE I shall restrict the comparison to only two marks:

Opponents' trade marks	Applicant's trade mark
STONE	DURASTONE
STONELINE	

36) The opponent contended in its submissions that the term DURA would be seen by the average consumer as a reference to the word “durable”. It supplies the following meaning of dura mater “the outermost and toughest of the three membranes covering the brain and spinal cord often shortened to dura”. The origin is said to be from medieval Latin for “hard mother”. It also claims that the Italian phrase “pietra dura” means “hard stone” and would be taken to indicate durability. There is no evidence that the term “dura” is a well known shorthand for the word durable; and no evidence of the average consumers knowledge of medieval Latin or even modern Italian. Given comments often made regarding the lack of ability in modern languages of the average UK citizen I doubt that many members of the UK population would recognise the term “dura”. Nor do I believe that the term “dura” would be seen as allusive of the words durability or durable. **Whilst there is a degree of visual and aural similarity between the mark STONELINE and DURASTONE these are far outweighed by the differences. A similar result occurs when comparing the opponent's mark STONE to the mark in suit. Conceptually both marks suggest that they have stone within the product, although it is not clear what the average consumer would make of the term “DURA” and so there is a medium to high degree of conceptual similarity between the mark in suit and both of the opponent's marks.**

37) I take into account the comments in *The Picasso Estate v OHIM*, Case C-361/04 P, the Court of Justice of the European Union found that:

“20. By stating in paragraph 56 of the judgment under appeal that, where the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant public, the conceptual differences observed between those signs may counteract the

visual and phonetic similarities between them, and by subsequently holding that that applies in the present case, the Court of First Instance did not in any way err in law.”

Likelihood of confusion

38) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponents’ trade marks as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer is a member of the general public (including businesses), who will select the goods by predominantly visual means and who will pay an average degree of attention when doing so;
- The specification of the mark in suit is identical to each of the opponent’s registered specifications.
- In comparing the mark in suit to all of the opponents’ marks they are visually and aurally different although they do have a medium to high degree of conceptual similarity.
- All the opponent’s earlier trade marks have a low level of inherent distinctiveness and do not benefit from an enhanced distinctiveness.

39) In view of the above and allowing for the concept of imperfect recollection, despite the conceptual similarity, identity of the goods and the average degree of care of the average consumer, because the marks are so different there is no likelihood of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to it. **The opposition under Section 5(2) (b) therefore fails.**

40) I next turn to the ground of opposition under section 5(4)(a) which reads:

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

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

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

41) In deciding whether the marks in question offend against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the *WILD CHILD* case [1998] RPC 455. In that decision, Mr Hobbs stated that:

“The question raised by the grounds of opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the

applicant from those of other undertakings (see section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Article 4(4)(b) of the Directive and section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the applicant in accordance with the law of passing off.

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

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

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

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

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

42) First I must determine the date at which the opponent's claim is to be assessed; this is known as the material date. In this regard, I note the judgment of the General Court (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 that judgment the GC said:

"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."

43) The filing date of the application (14 July 2014) is, therefore, the material date. However, if the applicant has used his trade mark prior to this then this use must also be taken into account. It could, for example, establish that the applicant is the senior user, or that there had been common law acquiescence, or that the status quo should not be disturbed; any of which could mean that the applicant's use would not be liable to be prevented by the law of passing-off – the comments in *Croom's Trade Mark Application [2005] RPC 2 and Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42 refer." There is no evidence that the applicant has used his mark on the goods applied for prior to the application date other than a single screenshot said to be from the applicant's website dated 15 May 2014, which I do not regard as enough to state that the mark had been used prior to the date of application.

44) The opponent has provided invoices which show it has sold a number of pots and pans to major retailers such as QVC and Lakeland. Whilst it has not provided turnover and marketing figures for its business in the UK, the evidence illustrates a scale of use sufficient to demonstrate that it has goodwill in the UK in respect of pots and pans. It therefore clears the first hurdle.

45) Whilst it is well established that it is not necessary for the parties to a passing-off action to be in the same area of trade or even a related area of trade (*Harrods Ltd v Harrodian School Ltd* [1996]) earlier in this decision I determined that the goods of the two parties were identical. However, I also found that the marks of the two parties overall were different and that use of the mark in suit, actual or on a fair and notional basis would not result in confusion with the opponent's mark. Accordingly, it seems to me that the necessary misrepresentation required by the tort of passing off will not occur. The opposition under Section 5(4)(a) of the Act must fail.

46) Lastly, I turn to the ground of opposition under section 3(6) which reads:

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

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

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

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

48) I refer to case O/094/11 *Ian Adam* where Mr Hobbs QC acting as the Appointed Person said:

"32. Any attempt to establish bad faith must allow for the fact that there is nothing intrinsically wrong in a person exercising *'the right to apply the rules of substantive and procedural law in the way that is most to his advantage without laying himself open to an accusation of abuse of rights'* as noted in paragraph [121] of the Opinion delivered by Advocate General Trstenjak in Case C-482/09 Budejovicky Budvar NP v. Anheuser-Busch Inc on 3 February 2011. In paragraph [189] of his judgment at first instance in Hotel Cipriani SRL v. Cipriani (Grosvenor Street) Ltd [2009] EWHC 3032 (Ch); [2009] RPC 9 Arnold J. likewise emphasised:

"... 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 Art. 107 can hardly be said to be abusing the Community trade mark system.”

These observations were not called into question in the judgment of the Court of Appeal in that case: [2010] EWCA Civ 110; [2010] RPC 16. They were re-affirmed by Arnold J. in *Och-Ziff Management Europe Ltd v. Och Capital LLP* [2011] ETMR 1 at paragraph [37].

33. The line which separates legitimate self-interest from bad faith can only be crossed if the applicant has sought to acquire rights of control over the use of the sign graphically represented in his application for registration in an improper manner or for an improper purpose. The appropriate remedy will in that case be rejection of the offending application for registration to the extent necessary to render it ineffective for the purpose which made it objectionable in the first place.

34. In a case where the relevant application fulfils the requirements for obtaining a filing date, the key questions are: (1) what, in concrete terms, is the objective that the applicant has been accused of pursuing? (2) is that an objective for the purposes of which the application could not properly be filed? (3) is it established that the application was filed in pursuit of that objective? The first question serves to ensure procedural fairness and clarity of analysis. The second question requires the decision taker to apply a moral standard which, in the absence of any direct ruling on the point from the Court of Justice, is taken to condemn not only dishonesty but also *‘some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined’*: *Gromax Plastics Ltd v. Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 (Lindsay J). The third question requires the decision taker to give effect to the principle that innocence must be presumed in the absence of evidence sufficient to show that the applicant has acted improperly as alleged.

35. In assessing the evidence, the decision taker is entitled to draw inferences from proven facts provided that he or she does so rationally and without allowing the assessment to degenerate into an exercise in speculation. The Court of Justice has confirmed that there must be an overall assessment which takes into account all factors relevant to the particular case: *Case C-529/07 Chocoladefabriken Lindt & Sprüngli AG v. Franz Hauswirth GmbH* [2009] ECR I-4893 at paragraph [37]; *Case C-569/08 Internetportal und Marketing GmbH v. Richard Schlicht* [2010] ECR I-00000 at paragraph [42]. As part of that assessment it is necessary as part of that approach to consider the intention of the applicant at the time when the application was filed, with intention being regarded as a subjective factor to be determined by reference to the objective circumstances of the particular case: *Chocoladefabriken Lindt & Sprüngli GmbH* (above) at paragraphs [41], [42]; *Internetportal und Marketing GmbH* (above) at paragraph [45]. This accords with the well-established principle that ‘national courts may, case by case, take account -on the basis of objective evidence -of abuse or fraudulent conduct on the part of the persons concerned in order, where appropriate, to deny them the benefit of the provisions of Community law on which they seek to rely’: *Case C16/05 The Queen (on the applications of Veli Tum and Mehmet Dari) v. Secretary of State for the Home Department* [2007] ECR I-7415 at paragraph [64].

36. The concept of assessing subjective intention objectively has recently been examined by the Court of Appeal in the context of civil proceedings where the defendant was alleged to have acted dishonestly: *Starglade Properties Ltd v. Roland Nash* [2010] EWCA Civ 1314 (19 November 2010). The Court considered the law as stated in *Royal Brunei Airlines v. Tan* [1995] 2 AC 378 (PC), *Twinsectra Ltd v Yardley* [2002] 2 AC 164 (HL), *Barlow Clowes International Ltd*

v. *Eurotrust International Ltd* [2006] 1 WLR 1476 (PC) and *Abu Rahman v. Abacha* [2007] 1 LL Rep 115 (CA). These cases were taken to have decided that there is a single standard of honesty, objectively determined by the court and applied to the specific conduct of a specific individual possessing the knowledge and qualities that he or she actually possessed: see paragraphs [25], [28], [29] and [32]. This appears to me to accord with treating intention as a subjective factor to be determined by reference to the objective circumstances of the particular case, as envisaged by the judgments of the Court of Justice relating to the assessment of objections to registration on the ground of bad faith.”

49) In the case of *Red Bull GmbH v Sun Mark Limited, Sea Air & Land Forwarding Limited* [2012] EWCH 1929 (Ch) Arnold J. Set out the general principles of what constitutes “Bad Faith” as follows:

“130 A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/ Article 3(2)(d) of the Directive/ Article 52 (1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, “Bad faith in European trade mark law” [2011] IPQ 229.)

131 First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see *Case-529/07 Chocoladenfabriken Lindt & Sprungli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132 Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2009] EHC 3032 (Ch), [2009] RPC 9 at [167] and cf. *Case C-259/02 La Mer Technology Inc. V Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and *Case C-192/03 Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133 Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207–2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134 Fourthly, bad faith includes not only dishonesty, but also “some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined”: see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135 Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly’s Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136 Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137 Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138 Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth* :

“41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48).”

50) It is well established (*Chocoladenfabriken Lindt & Sprungli AG v Franz Hauswirth GmbH; Nonogram Trade Mark* [2001] RPC 21 and *Hotpicks Trade Mark* [2004] RPC 42) that the relevant date for consideration of a bad faith claim are the application's filing date or at least a date no later than that. In the instant case the relevant date is 14 July 2014.

51) In asserting that the mark was applied for in bad faith, the onus rests with the opponent to make a prima facie case. A claim that a mark was applied for in bad faith implies some action by the applicant which a reasonable person would consider to be unacceptable behaviour or, as put by Lindsay J. in the *Gromax* trade mark case [1999] RPC 10:

“includes some dealings which fall short of the standards of acceptable commercial behaviour”.

52) The issue must be determined on the balance of probabilities. On the basis of these authorities it is clear that a finding of bad faith may be made in circumstances which do not involve actual dishonesty. Furthermore, it is not necessary for me to reach a view on the applicant's state of mind regarding the application for registration if I am satisfied that his actions in applying for the mark in the

light of all the surrounding circumstances would have been considered contrary to normally accepted standards of honest conduct.

53) In the instant case, it is clear that the applicant was well aware of the opponent's mark having purchased goods from them for one of his companies. However, the applicant has maintained that the mark he applied for was different to that of the opponent, a view with which I concur as earlier in this decision I found that there was no likelihood of confusion between the marks. As the applicant has applied for a mark which is different from the marks of the opponent the **application was not filed in bad faith and so the ground of opposition under section 3(6) fails.**

CONCLUSION

54) The opposition under Sections 5(2)(b), 5(4)(a) and 3(6) have all been unsuccessful.

COSTS

55) As the applicant has been successful he is entitled to a contribution towards his costs.

Preparing a statement and considering the other side's statement	£300
Preparing evidence	£900
Preparing submissions	£800
TOTAL	£2,000

56) I order Warimex Waren-Import Export Handels GmbH to pay Guy Weaver the sum of £2,000. This sum to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 21st day of October 2015

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