

O-197-20

TRADE MARKS ACT 1994

**IN THE CONSOLIDATED MATTERS OF
APPLICATIONS BY ROBIN CHAPMAN UNDER NOS. 3307512 AND 3307514
TO REGISTER:**



*London East India
Indian Tonic Water
Pish and palatable. A sin without gin.*

AND



*London East India
London Dry Gin
Pish and palatable. Top-top with tonic.*

**AS A UK TRADE MARK
IN CLASS 32**

**AS A UK TRADE MARK
IN CLASS 33**

AND

THE RESPECTIVE OPPOSITIONS THERETO UNDER NOS. 413477 AND 413480

BY

THE EAST INDIA COMPANY SPIRITS PTE LTD

AND

**THE APPLICATION UNDER NO. CA502406
BY THE EAST INDIA COMPANY SPIRITS PTE LTD
TO INVALIDATE UK TRADE MARK NO. 3217797:**

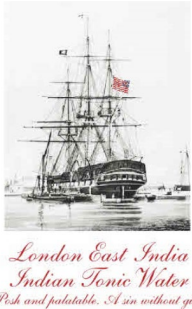
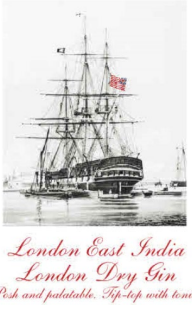


*London
East India Pale Ale
Pish and palatable. Taken with offin.*

REGISTERED IN THE NAME OF ROBIN CHAPMAN IN CLASS 32

BACKGROUND AND PLEADINGS

1. The East India Company Spirits Pte Ltd (“**EIC**” / “**the Opponent**”) owns trade marks for the words THE EAST INDIA COMPANY and THE EAST INDIA COMPANY GIN. EIC opposes two applications by Robin Chapman (“**Mr Chapman**” / “**the Applicant**”) to register figurative trade marks that involve the words “East India”. Mr Chapman has already registered a figurative trade mark involving the words “East India”, and EIC additionally seeks a declaration of invalidity against that registration. Both for the two oppositions, and for the cancellation action, EIC bases its objections on grounds under **sections 5(2)(b), 5(3) and 3(6)** of the Trade Marks Act 1994 (“**the Act**”).¹ This decision deals with the three proceedings, which have been consolidated.
2. The details of Mr Chapman’s two applications are set out below (followed by the details of the trade mark registrations relied on by EIC for its oppositions thereto).²

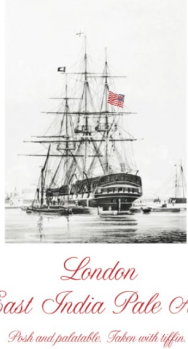
<p>Application No. 3307512</p> <p>(“The Tonic Application”)</p> <p>Goods applied for: Class 32: Tonic water</p> <p>Filing date: 30 April 2018</p> <p>Publication date: 18 May 2018</p>	 <p>Mark text: “LONDON EAST INDIA INDIAN TONIC WATER POSH AND PALATABLE. A SIN WITHOUT GIN.”</p>
<p>Application No. 3307514 3307512</p> <p>(“The Gin Application”)</p> <p>Goods applied for: Class 33: Gin</p> <p>Filing date: 30 April 2018</p> <p>Publication date: 18 May 2018</p>	 <p>Mark text: “LONDON EAST INDIA LONDON DRY GIN POSH AND PALATABLE. TIP-TOP WITH TONIC.”</p>

¹ Applicable to the cancellation action by virtue of section 47(2)(a) of the Act.

² Since the trade mark registrations relied on by EIC were filed before any of the contested marks belonging to Mr Chapman, then for the purposes of the section 5(2) and 5(3) grounds, the former are clearly “earlier marks” within the definition at section 6(1)(a) of the Act.

EIC's trade mark registrations relied on in opposition Nos 413480 and 413477 for its claims under sections 5(2)(b) and 5(3) of the Act	
<p>EUTM: <u>13110739</u> for the word mark: "THE EAST INDIA COMPANY"</p> <p>Filing date: 24 July 2014 Registration date: 17 February 2015</p> <p>Goods relied on:</p> <p>Class 32: <i>Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages</i></p> <p>Class 33: <i>Alcoholic beverages (except beers).</i></p> <p>The above goods are only some of the goods which, at date of filing of opposition, were registered under EUTM <u>13110739</u>. As explained below, the goods are now registered as EUTM <u>17966275</u></p>	<p>UK TM: 3232432 for the word mark: "THE EAST INDIA COMPANY GIN"</p> <p>Filing date: 19 May 2017 Registration date: 1 September 2017</p> <p>Good relied on (all those registered):</p> <p>Class 33: <i>Alcoholic beverages except beers; wines, spirits and liqueurs; hard cider; sherry; port wine; champagne; gift drinks; hampers containing alcoholic beverages except beers; wines, spirits and liqueurs, hard cider, sherry, port wine, champagne, sold as a unit.</i></p>

3. The details of Mr Chapman's contested registration are set out below, followed by the details of the registration relied on by EIC for its cancellation action.

<p>Trade mark registration No. 3217797</p> <p>("The pale ale registration")</p> <p>Registered goods: Class 32: Pale ale</p> <p>Filing date: 10 March 2017 Publication date: 24 March 2017 Registration date: 2 June 2017</p>	<div style="text-align: center;">  <p><i>London East India Pale Ale Posh and palatable. Taken with tiffin.</i></p> </div> <p>Mark text: "LONDON EAST INDIA PALE ALE POSH AND PALATABLE. TAKEN WITH TIFFIN."</p>
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**EIC's trade mark registration relied on in CA502406
(for its claims under sections 5(2)(b) and 5(3) of the Act)**

EUTM: 17966275 for the word mark:

"THE EAST INDIA COMPANY"

Filing date: 24 July 2014

Registration date: 17 February 2015

Good relied on (all):

Class 32: *Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages*

Class 33: *Alcoholic beverages (except beers).*

As explained below, these goods were previously registered as EUTM 13110739

4. In relation to the trade mark registrations relied on by EIC, I note that between the filing of the oppositions and the cancellation action the classes of EUTM No. 13110739 relied upon for the oppositions were split from it, and those classes (32 and 33) became EUTM 17966275 by reason of the recordal of a partial assignment of the trade mark rights to EIC. (Whereas the recordal for the EU trade mark registration was not made until after the filing of the notice of opposition, the recordal in relation to the UK trade mark No. 3232432 was made in 2017.) I accept that references in the oppositions to EUTM 13110739 (which were correct at the time of filing) should be understood to be references to EU17966275 (as it became) and that only two earlier rights are relied upon as such.
5. In relation to its **section 5(2)(b)** grounds, EIC claims that the parties' marks are similar based on the element "EAST INDIA", which EIC considers the most distinctive element, and that the respective goods are identical or similar, such that there is a strong likelihood of confusion on the part of the public in the UK, which includes the likelihood of association. EIC also claims that the distinctive character of the marks on which it relies has been enhanced through "very substantial use" in the UK.
6. In relation to its **section 5(3)** grounds, EIC claims that its marks have acquired a reputation in the UK and EU "*in connection with the sale or provision of its merchandising activities, including the sale of its beverages*", and that use of the contested marks would without due cause take unfair advantage of EIC's marks, and would be detrimental to their reputation and distinctive character.

7. In relation to its **section 3(6)** grounds, EIC claims that Mr Chapman filed for his trade marks in bad faith. Each of the three statements of grounds details the allegations of bad faith, which I shall refer to further when I deal with the section 3(6) ground. In summary, it is claimed as follows:
- i. that until April 2007, Mr Chapman had been a director of a publishing company (whose name includes 'East India') which is now a "related company" of EIC and that Mr Chapman is a solicitor who has long acted for a founder of that publishing company;
 - ii. that in filing his trade marks, Mr Chapman attempted to use information obtained from those positions (solicitor/former director), in an attempt to disrupt EIC's business, or to facilitate a commercial arrangement with EIC, and/or to create confusion;
 - iii. that Mr Chapman's marks involve the image of a ship, which EIC say is copied from a Wikipedia entry³ and that it is not clear that Mr Chapman has any rights in the image;
 - iv. that in 2010 / 2011 Mr Chapman incorporated four UK companies whose names include 'The East India Company';
 - v. and that in light of the above points, Mr Chapman's behaviour fell short of standards of acceptable commercial behaviour, thereby falling foul of section 3(6) of the Act.

The defence claims

8. Notices of defence denied all the claims. Each counterstatement in the oppositions was around 18 pages, but both in very similar terms; the counterstatement in the cancellation was shorter. I note the following points from the three counterstatements:
- i. It is denied that the marks are similar because Mr Chapman's marks contain an image of an East Indiaman ship, which it claims is distinctive, plus other words, such as LONDON DRY GIN and a "strap line", none of which will go unnoticed by the average consumer in the UK. It states that "*the words "London" and "East India" serve as geographical place holders and in no sense offend against the East India Company*" and that the slogans give originality.
 - ii. It is variously denied that the respective goods are identical or similar; it is argued that they are different, that some of the goods are in different classes, and that there is no risk the public could possibly believe the respective goods come from the same or economically linked undertakings;
 - iii. It denies that EIC's marks benefit from enhanced distinctive character. It notes that Mr Sanjiv Mehta (CEO of EIC) asserts that in 2005 there were descendants and/or

³ The entry is said to show The East Indiaman, *HMS Repulse*, dismantled in 1820.

transferees of the holders of the original stock of The East India Company (which was founded by Royal Charter in 1600 and dissolved in 1874) The East India Company (1600) and that he *“bought the company in 2005 from the “30 or 40” people who owned it.”* However, the counterstatement emphasises the distinction between, on the one hand, the historical entity The East India Company founded by Royal Charter in 1600 and dissolved in 1874, and on the other hand, EIC, which acts as the opponent/cancellation applicant in these proceedings and which is a company registered in Singapore and which has related companies in the UK and elsewhere, under the control of Mr Mehta.

- iv. It states that EIC has *“acquired next to nothing by way of reputation in the UK or elsewhere. Few of the public at large have heard of the Opponent. By contrast, millions have heard of The East India Company 1600. The Opponent has no more than a couple of gift shops, a few instore outlets and a website ... They sell hampers, modern gift paraphernalia and a 1 oz gold “trade dollar” coin for GBP 2,995.”*
- v. It denies any unfair advantage or detriment to the distinctive character or repute of the Opponent’s earlier marks and states that Mr Chapman has no interest in “riding on the coat tails of the Opponent”.
- vi. It argues that EIC rides on the coat-tails of original 1600 company and that EIC is wrong to assume that it has the right to benefit from the reputation and recognition of The East India Company 1600;
- vii. Mr Chapman “by use of an East Indiaman ship logo hopes to give the impression of a link to the Raj.”
- viii. It lists numerous companies containing the words East India that it says were listed on the register at Companies House as of September 2018 and that the words are for all-comers and refer merely to a geographical area. It lists a number of other goods and services (from sherry to take-aways) that include the words East India.
- ix. Mr Chapman strenuously denied all allegations of bad faith, denied that he had ever been a legal advisor to Mr Antony Wild (founder of the EIC publishing company) and stated that the ship image used in Mr Chapman’s trade marks was of the East Indiaman *The Repulse*, from an 1839 painting and is in the public domain.

Representation, papers filed and oral hearing

- 9. In these proceedings, Joshi Worldwide IP Limited acted for EIC; Battens Solicitors Limited acted for Mr Chapman. During the evidence rounds, both parties filed evidence, including points of submission. EIC filed evidence not only in chief, but also in reply to the materials

filed by Mr Chapman. The evidence in total filed ran to several hundred pages. I have read all the papers filed and rather than give a separate summary of the evidence, I shall refer to points from it, as well as to points in submission, to the extent I consider warranted, where appropriate in this decision. The Opponent requested an oral hearing, which took place before me by video conference on 12 December 2019; Mr Chapman chose not to attend and his representatives filed submissions in lieu of attendance. Mr Aaron Wood of Keystone Law attended for EIC at the instruction of its legal representatives. Mr Wood filed a skeleton argument ahead of the hearing.

DECISION

The section 5(2)(b) grounds

10. Section 5(2)(b) of the Act, reads as follows:

“5. – [...]

(2) A trade mark shall not be registered if because – [...]

(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. Determination of a section 5(2)(b) claim must be made in light of 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. The principles are:

(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.

Comparison of the goods

12. In *Gérard Meric v Office for Harmonisation in the Internal Market (OHIM)*, the Court of Justice of the European Union (“the CJEU”) (the General Court) stated that goods can be considered as identical when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (and vice versa).⁴ With this inclusion principle in mind, I make the following findings:
13. **The Tonic Application:** Mr Chapman has applied for protection in respect of *Tonic water* in Class 32. The Opponent has protection under its **EUTM 13110739** for goods that include “*mineral and aerated waters and other non-alcoholic drinks*” and “*preparations for making beverages*”. Since tonic water falls within those more general categories, the respective goods are **identical**.
14. The sign under the word mark “THE EAST INDIA COMPANY under EUTM 13110739 is self-evidently closer to the contested mark under The Tonic Application than is the other earlier mark relied on (UK TM: 3232432), since the sign under the latter has the additional word “gin”; the former is clearly the Opponent’s stronger case against The Tonic Application and I shall base my decision in this regard on that earlier mark. (Moreover, the alcoholic drinks in Class 33 registered under THE EAST INDIA COMPANY GIN mark are clearly not identical to the goods under The Tonic Application, although there is some similarity based on shared users, uses and channels of trade.)
15. **The Gin Application:** Mr Chapman has applied for protection in respect of *Gin* in Class 33. Under each of the earlier marks relied on the Opponent has protection for goods in Class 33 that include *Alcoholic beverages (except beers)*. Since gin falls within that more general category, the respective goods are **identical**. Moreover, UK TM: 3232432 (THE EAST INDIA COMPANY GIN) also specifies “spirits”, giving a further basis for identity between the goods. While I note that in his **Witness Statement** dated 18 March 2019, **Mr Chapman** maintains that “London Dry Gin” is a “different product” from “gin”, clearly such a contention cannot disturb my finding of identity on the basis of the inclusion principle set out in *Gérard Meric*.
16. **The Pale Ale Registration:** Mr Chapman’s contested registered mark is in respect of *Pale Ale* in Class 32. The Opponent has protection under its earlier mark EUTM

⁴ Case T- 133/05 at paragraph 29 of that judgment.

17966275 (THE EAST INDIA COMPANY) for goods in Class 32 that include *Beers*. Pale ale is a beer, so the goods are **identical**.

The average consumer and the purchasing process

17. In *Hearst Holdings Inc*,⁵ Birss J explained that “... *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 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 word “average” denotes that the person is typical*”.
18. The average consumer for the goods of the contested mark will be a member of the adult general public (certainly in relation to the alcoholic drinks, although I recognise that a consumer under 18 may buy tonic water). The goods at issue are typically sold in pubs, bars and restaurants as well as in supermarkets, off-licences, delicatessens, and so on. The average consumer will see the trade marks on, for example, the bottle label for the goods or on a beer dispenser at the bar, or on a drinks list, or in promotional material in hard copy or online. In that way, the purchasing process is **predominantly visual**, however a customer in a bar or restaurant will commonly ask for a particular gin, beer or tonic, and a consumer may receive an oral recommendation, so I also bear in mind aural considerations. The average consumer may wish to ensure that they are selecting the correct size, type and strength of pale ale or flavour of gin or tonic, but will pay **no more than a medium level of attention**.

Comparison of the marks

19. It is clear from *Sabel* 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 the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo* 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*”

⁵ *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), at paragraph 60.

of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”⁶

20. It would therefore be wrong to dissect the trade marks artificially, but it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features that are not negligible and therefore contribute to the overall impressions created by the marks. The marks to be compared are shown below:

The contested marks:	
 <p><i>London East India Indian Tonic Water</i> <i>Rich and palatable. Served without gin.</i></p>	 <p><i>London East India London Dry Gin</i> <i>Rich and palatable. Top-top with tonic.</i></p>
 <p><i>London East India Pale Ale</i> <i>Rich and palatable. Taken with coffee.</i></p>	<p>THE EAST INDIA COMPANY GIN</p> <p>THE EAST INDIA COMPANY</p>
EIC’s earlier trade marks	

21. EIC’s earlier trade marks are both word-only marks. The word “GIN” in the word-mark “THE EAST INDIA COMPANY GIN” will be seen as directly descriptive if used in relation to gin. I have noted that EIC considers “EAST INDIA” to be the most distinctive element. However, it is my conclusion that in both earlier marks, the words “THE EAST INDIA COMPANY” tend to form a unit. I reach this view because despite the claim in the counterstatement that “millions have heard of” the original East India Company, I note from the evidence that that entity ceased to exist almost 150 years ago, and I find it likely that the majority of the UK public aged 18 or more will entirely unaware of it. For the minority who have heard of the historical entity, the four words are more apt to be perceived as a unit. Even for those who have no awareness of the history, the middle words “East India” will be understood as a geographical reference, and whether or not that reference is seen to have any particular allusive significance in relation to the goods (such as pale ale, tonic water or gin), since the words are simply geographical terms, I do not consider them to be particularly distinctive. In determining the overall impression of

⁶ *Bimbo SA v OHIM, Case C-591/12P* (at paragraph 34)
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words “THE EAST INDIA COMPANY”, bearing in mind that the average consumer does not analyse the details and that a trade mark should not be artificially dissected (and notwithstanding that the first word is simply the definite article) I conclude that the distinctive character of the unit resides in its totality with no one (or two) elements dominating.

22. Mr Chapman’s three figurative marks involve several elements that contribute variously to the overall impression. The picture of an old-fashioned large sailing ship contributes significantly to the overall impression as it is the largest element. In my view its size and position make it dominant, and since the image is not obviously allusive in relation to the goods, it is also distinctive.
23. The words “London East India” play an important role in the overall impression of the trade mark, since it will be by those words that the average consumer will likely refer to the mark; again, whether or not those three words are seen to have any particular allusive significance in relation to the goods (such as pale ale, tonic water or gin), since the words are simply geographical terms, I do not consider them to be strongly distinctive. The notion that in trade marks words speak louder than devices can only be taken so far, and at least from visual perspective those three words are in my view secondary to the ship image.
24. Clearly the words “Indian Tonic Water”, “London Dry Gin” and “Pale Ale” are directly descriptive of the goods and are therefore entirely non-distinctive. The “posh and palatable” slogans (“...A SIN WITHOUT GIN” / “...TIP-TOP WITH TONIC” / “...TAKEN WITH TIFFIN”) may well, as submitted in the counterstatements, be original, (and “quirky and olde worlde” as Mr Chapman put it in his witness statement) but their significance in the overall impression of the contested marks is low because firstly they are very small relative to the other elements and are not easy to read, and secondly they will be perceived as a marketing slogan, which carries less weight in signifying the source of the goods.

Visual similarity

25. In considering the extent to which the respective marks may be considered visually similar, I take into account the distinctive and dominant depiction of a large ship in the contested marks, whereas the earlier marks have no figurative aspect. The only visual overlap between the respective marks arises from the shared words “East India”, although

in this regard, I note that case law has emphasised that the protection that results from registration of a word mark relates to the word itself, so I attach no significance to the fact that the words contested marks are in red and in cursive font.⁷ Taking account of the overall impressions of the respective marks, giving due weight in the assessment to the distinctive and dominant aspects I consider the marks **visually similar to a low degree at most.**

Aural similarity

26. In considering the extent to which the respective marks may be considered aurally similar, clearly the figurative device of a ship plays no part. I also discount the entirely non-distinctive wording descriptive of the goods. In my view, the average consumer would not voice the “posh and palatable” slogans, given their size, position and nature as slogans. The comparison is therefore essentially between “The East India Company” and “London East India”. The two shared words “East India” will of course be pronounced identically. Taking account of the differences arising from the extra words “The Company” that bookend the shared words in EIC’s mark, and the word “London” that opens the text of the contested marks, I consider the respective marks to be **aurally similar to no more than a medium degree.**

Conceptual similarity

27. The concept that attaches to the earlier marks is that of a business responsible for the goods that is named The East India Company; the additional word “gin” in one of the earlier marks is descriptive of the goods and does not disturb that concept I have described. The words “East India” are a geographical reference – I note the definitions from the Oxford Dictionaries at **Exhibit RC-9 of the Witness Statement of Mr Chapman**, showing the term as another name for East Indies, which are in turn defined as “*the islands of South East Asia, especially the Malay Archipelago, and in archaic usage as the whole of SE Asia to the east of and including India*”. While the average consumer may not know or bring to mind any of those precise definitions, the public will at least discern a geographical reference, even if that perception approximates only to ‘eastern India’. The concept that presents from the overall impression of the earlier marks is therefore of a company that is based in or associated with that geographical location. While the majority of UK adults may have no awareness of the historical East India Company, there

⁷ See Case T-24/17 *La Superquímica v EUIPO*, EU:T:2018:668 at paragraph 39; see too paragraphs 11 and 12 of the appeal decision BL O/091/19, Professor Philip Johnson as the Appointed Person.

will be some among the average consumer group who will have heard of it. For this latter group the unitary phrase The East India Company will conjure a more particular concept of a company.

28. In the contested marks, “London East India” has a conceptual overlap with the earlier marks to the extent that the words East India will have the same meaning (a geographical reference). However, there are also conceptual differences because, firstly, the contested marks make no reference in to a company, and secondly there is a ship device prominently present in the contested marks, but no concept of a ship attaches to the earlier word marks. Taking account of the overall impressions of the respective marks, I consider them to be **conceptually similar to a degree between low and medium**.

Distinctiveness of the earlier mark

29. The distinctive character of the earlier mark must be assessed, as, potentially, the more distinctive the earlier mark, either inherently or through use, the greater the likelihood of confusion.⁸ In *Lloyd Schuhfabrik*, 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-2779, 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)”.

⁸ *Sabel* at [24]

30. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctive character of a mark may be enhanced by virtue of the use that has been made of it.
31. As noted previously, the word “gin” in one of the earlier marks in this case is entirely non-distinctive for the goods that are gin. The remaining words of the marks - “The East India Company” - are ordinary English words, but they have no obvious allusive reference to any of the goods at issue. As I have previously noted, I allow that a portion of those who represent the average consumer in this case may have heard of the historical entity and therefore the words may have some recognition as a phrase. I note claims in the evidence that The East India Company has an “*historic connection with the invention the gin and tonic*” (for example at **Exhibits SM4** and **SM6** to the Witness Statement of Sanjiv Mehta 30 January 2019). However, even assuming that to be factually accurate, I do not consider that it is something that would be known to the average consumer and it is not relevantly geographically allusive (let alone descriptive) in respect of the goods in question. I consider the earlier mark to **be inherently distinctive to a medium degree**.
32. EIC claimed that the distinctiveness of the mark has been enhanced through its use. Its evidence included material relating to various foodstuffs, coins and other matters offered for sale by EIC. However, for EIC to have any prospect of benefiting from a claim of enhanced distinctiveness, the evidence must show use of its marks, in relation to the registered goods relied on, sufficient to have enhanced their distinctiveness among the average consumer in the UK, and to have done so by the dates that Mr Chapman applied for his marks i.e. by April 2018 and March 2017 (“**the relevant dates**”). As implied by the extract from *Lloyd Schuhfabrik* above, evidence going to enhanced distinctiveness may include elements such as turnover and sales, advertising expenditure, market share, duration and reach of use and so on. It is important to note that what counts for the purpose of enhanced distinctiveness is that the marks must be known *as trade marks*, as opposed to being famous as a notable entity of historical and cultural significance (although such fame, as I mentioned in my preceding paragraph can in some degree be relevant to inherent distinctiveness). I note the following illustrative points from the evidence filed.

33. **Exhibit SM6** shows an article dated 14 November 2016 from thedrinksbusiness.com highlighting the launch that month of the East India Company London Dry Gin in a selection of bars, hotels and restaurants in London and Scotland. There was thus no more than 18 months of earlier trade mark use in relation to gin by the relevant date for the gin and tonic applications and only four months by the pale ale relevant date. The extent of the use also appears to be limited, focusing on a small number of high-end establishments. The **Witness Statement of Sanjiv Mehta** 30 January 2019 includes references to annual turnover of approximately 4.5 – 6 million GBP 2015 – June 2018, but those figures are for “The East India Company group’s global revenues”, so reveal no clear information neither in relation to sales in the UK, nor in relation to particular goods. Mr Mehta states at paragraph 18 of his Witness Statement of 30 January 2019 that “*there were significant numbers of customers in the UK for the period between 2016 – 2018*”, but that loose comment assists no further. **Exhibit SM-9** shows various invoices for EIC’s goods but only a handful relate to the goods under the earlier registrations and only those at pages 106 – 109 fall within the relevant period and total around £35,000. **Exhibit SM-7** shows that the East India Company London Dry Gin won Gold at the *2018 World Gin Masters, Asia*, but it is not clear that this is before the relevant date even in relation to the contested tonic and gin applications, and certainly post-dates the contested pale ale registration. Nor is that award recognition anyway sufficient; even taken with all the other evidence, including a dozen or so press articles over a number of years profiling Mr Mehta’s launch of the East India Company, the evidence in the round falls very far short of what would be needed to conclude that the marks benefit from enhanced distinctiveness through use.

Conclusion as to likelihood of confusion

34. In my global assessment of likelihood of confusion, I take account of my findings set out in the foregoing sections of this decision and of the case law principles outlined in paragraph 11 above. My findings above may be summarised as follows: the parties’ goods are identical; the purchasing process will entail a level of attention of no higher than medium. The average consumer will be members of the adult public; the consumer will primarily encounter the marks visually and the marks are visually similar only to a low degree (at most); aural considerations are also a factor and the marks have no more than a medium degree of aural similarity. The conceptual similarity is between low and medium, including conceptual differences. The Opponent’s earlier trade marks are

inherently distinctive to no more than a medium degree, and the evidence is insufficient to establish any enhancement of their distinctive character on the basis of use.

35. The question is whether there is a likelihood of confusion amongst a significant proportion of the relevant public⁹; occasional confusion by a small minority is not sufficient to find a likelihood of confusion. The relative weight of the factors is not laid down by law, but is a matter of judgment for the tribunal on the particular facts of each case.¹⁰ The legal test 'likely to cause confusion amongst the average consumer' is inherently imprecise, not least because the average consumer is not a real person; it involves a prediction as to how the public might react to the presence of two trade marks in ordinary use in trade and, it is often very difficult to make such prediction with confidence.¹¹ Confusion can be direct or indirect. Whereas direct confusion involves the average consumer mistaking one trade mark for the other, indirect confusion is where the average consumer realises that the trade marks are not the same but puts the similarity that exists between the trade marks/goods down to the responsible undertakings being the same or related.
36. Even allowing for the effect of imperfect recollection on the part of the consumer and factoring in too that the identity of the goods is to be weighed in the assessment, in my view, given the considerable visual differences between the marks, that fact that they both share the words "East India" is insufficient to lead to me to find that the average consumer will be confused. In my view, the extent of the differences between the marks rule out direct confusion on the part of the average consumer. Even where the goods are to be requested orally, there are notable spoken differences between the marks and the marks may still be encountered visually as the goods are dispensed or delivered (by the customer seeing them on pump badges or on the labels of bottles for example).
37. As to indirect confusion, I have considered the position of those adults in the UK who may know of the historical entity that was called "The East India Company". For *those* consumers (in my view a minority) - or indeed for consumers who have not necessarily heard of that particular company of yore, but who are conscious of the historical British colonial ties to India - the device of a ship, which is clearly one not of the modern era, taken together with the words "London East India", may evoke a connection to the British colonial trading routes. However, I have found the distinctiveness of the earlier marks to

⁹ Kitchin L.J. in *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41 at §34

¹⁰ See paragraph 33 of the decision of Iain Purvis QC sitting as the Appointed Person in Case No. O-079-17, (*Rochester Trade Mark*).

¹¹ Again see comments of Iain Purvis as the Appointed Person, *ibid*.

lie in the four-word phrase as a whole; the absence from the contested marks of the concept of a “company”, which is an important part of the overall impression of the earlier marks, leads me to also rule out indirect confusion. **The claims based on section 5(2)(b) fail.**

The section 5(3) ground

38. Section 5(3) of the Act states that a trade mark that is identical or similar to an earlier trade mark shall not be registered to the extent that the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark. Section 5(3A) states that those provisions apply “irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.”
39. The relevant case law for section 5(3) can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel Corporation*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure*, Case C-487/07 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:
- (a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.
 - (b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.
 - (c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Addidas Saloman*, paragraph 29 and *Intel*, paragraph 63.
 - (d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark’s reputation and distinctiveness; *Intel*, paragraph 42.
 - (e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that

such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

- (f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.
- (g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.
- (h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.
- (i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

40. Thus, for a claim under section 5(3) of the Act to succeed, requires (i) identity or similarity between the respective marks; (ii) evidence that the earlier registered mark has a reputation in the relevant territory (in this case, the UK); (iii) that use of the sign applied for must be capable of taking an unfair advantage of, or being detrimental to, the distinctiveness or the repute of the earlier mark; and (iv) that such use must be without due cause. These conditions are cumulative and failure to satisfy any one of them is sufficient to defeat the claim.

41. In view of my earlier findings as to similarity of the respective marks, the first criterion is satisfied in this case, so I next consider the question of reputation. To show that an earlier mark has acquired a reputation there must be clear and convincing evidence to establish

all the facts necessary for a tribunal to conclude safely that the mark is known by a significant part of the public. Reputation cannot be merely assumed and must be evaluated by making an overall assessment of all factors relevant to the case.

42. Although the pleadings express the claimed reputation as “*in connection with the sale or provision of its merchandising activities, including the sale of its beverages*”, it is clear that the reputation of a trade mark must be established as regards the goods registered, which are those relied on in Classes 32 and 33. Reputation must be assessed as at the relevant dates, which again are the dates on which Mr Chapman applied for his marks - April 2018 and March 2017.
43. The CJEU in *General Motors* gives guidance on assessing the existence of a reputation. Paragraph 27 of that judgment requires that I “*take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.*”
44. In *Enterprise Holdings Inc. v Europcar Group UK Ltd*,¹² Arnold J stated that proving a reputation “*is not a particularly onerous requirement.*” However, the evidence before Arnold J in that case showed that the claimant was in fact the market leading car hire company in the UK with a 30% share of the UK market. It was in that context that the judge said that proving a reputation “*is not a particularly onerous requirement.*” He had no reason to turn his mind to situations where the claimant had only a small and/or unquantified share of the relevant market.
45. Nonetheless, I take note of the comments of the General Court in *Farmeco AE Dermokallyntika v OHIM*,¹³ where it stated that a finding that an earlier mark had a reputation “*... is not called into question by the applicant’s argument that the turnover figures for sales and the amount spent on promoting the goods covered by the earlier marks ... have not been proved. It should be pointed out that the absence of figures is not, in itself, capable of calling into question the finding as to reputation. First, the list of factors to be taken into consideration in order to ascertain the reputation of an earlier mark only serve as examples, as all the relevant evidence in the case must be taken into*

12 [2015] EWHC 17 (Ch)

13 Case T-131/09 at paragraph 59

consideration and, second, the other detailed and verifiable evidence produced by the opposing party is already sufficient in itself to prove the reputation of its mark ...”.

4. I have already considered such factors as the evidence of turnover, duration and extent of use and UK recognition by the relevant dates, albeit in the context of considering whether the evidence established whether the distinctiveness of the earlier marks had been enhanced through use. In addition to that evidence, I also note that **Exhibit SM6** includes an article in the *London Evening Standard* dated 8 October 2014 headlined “*East India Company to go global again*”. It refers to Mr Mehta having bought the name and IP and having a “*store in Mayfair, selling a range of traditional British luxury groceries as well as two smaller London outlets and a concession in Harrods.*” It refers to other projects in Singapore, Saudi Arabia and the UAE and to plans to “open more fine food stores, restaurants and tea rooms in the Far East and Europe and eventually America.” It also refers to plans to open ten more in Britain in the following 18 months, but it is not clear the extent to which that was realised. Taken as a whole, I find that the evidence provides no clear or convincing basis on which I may safely conclude that the mark is known by a significant part of the public even in respect of gin, let alone any other of the relevant goods. **In the absence therefore of the required reputation the claim under section 5(3) of the Act must fail** and I need not consider the question of consequent injury.

The bad faith claim

46. Section 3(6) of the Act provides that a trade mark shall not be registered if or to the extent that the application is made in bad faith. The case law principles on bad faith were summarised by Arnold J in the *Sun Mark* case¹⁴ as follows (with citations omitted):
- (i) the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date;¹⁵
 - (ii) later evidence is relevant if it casts light backwards on the position as at the application date;
 - (iii) a person is presumed to have acted in good faith unless the contrary is proven and so it is not enough to prove facts which are also consistent with good faith;

¹⁴ *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929(Ch)

¹⁵ The Opponent accepted in its skeleton argument that the relevant date for the determination of this Opposition is 2 November 2017, which is date of the filing of the Chinese National Application from which the Application claimed priority.

- (iv) 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';
- (v) the provisions against bad faith are intended to prevent abuse of the trade mark system. There are two main classes of abuse - abuse vis-à-vis the relevant office and abuse vis-à-vis third parties;
- (vi) the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case;
- (vii) 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;
- (viii) consideration must be given to the applicant's intention at the time of filing, including whether an applicant is intending to prevent a third party from entering the market.

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- 47. The case law of the CJEU has made clear that the intention of an applicant for a trade mark is a subjective factor which must, however, be determined objectively by a tribunal making an overall assessment, taking into account all the factual circumstances relevant to the particular case.¹⁶
- 48. Mr Chapman strongly denies the claims that he filed for his trade marks in bad faith. Bad faith is a serious allegation I shall deal with each of the various points put forward by EIC.
- 49. The allegation that Mr Chapman had no right to use the image of the ship that features in his marks was not pursued at the hearing; I find that it is clearly a baseless point since the image is in the public domain and no longer subject to copyright.¹⁷ (EIC anyway claimed no copyright interest in the image and thus had no standing to pursue any claim on that basis.)

¹⁶ See, to that effect, judgment of 11 June 2009, *ChocoladefabrikenLindt & Sprüngli*, C-529/07, EU:C:2009:361, paragraphs 37 and 42; see too C-104/18P *Koton*.

¹⁷ **Exhibit RC-12.**

50. EIC also alleged that Mr Chapman has long been and continues to be the solicitor for Mr Antony Wild, but EIC filed no evidence to support that claim. (Mr Wild is an author of books about the historical East India Company, and had previously established companies of that name, including in particular East India Company (Publishing) Ltd.) Mr Chapman denies that he has ever been the solicitor for, or legal advisor to Mr Wild and, in the absence of corroboratory evidence, I reject EIC's claim to the contrary. Mr Chapman is indeed a solicitor and it was argued that the tribunal should hold him to a higher standard in his conduct than is applicable to the public at large. While I acknowledge that a solicitor may have fiduciary obligations arising from their professional relationships, no such obligation has been evidenced in this case. Mr Chapman's conduct is to be as assessed according to the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined.
51. The Opponent also claims that Mr Chapman had access to confidential and privileged information and that the contested trade mark applications/registration are "*deliberate and obvious attempt to use the information and know how obtained in his position as a former director of East India Company (Publishing) Ltd*" to disrupt EIC's business, or to facilitate a commercial arrangement with EIC, and/or to create confusion with EIC's brand. In this regard I note the following points in evidence.
52. Mr Chapman was a director of the East India Company (Publishing) Ltd. **Exhibit SM2-4** filed in support of **Mr Mehta's second witness statement 12 September 2019**, presents extracts from Companies House records that show that Robin Chapman signed in consent to his appointment as a director of East India Company (Holdings) Ltd on 2 May 2003, which on 2 September 2003, changed its name to the East India Company (Publishing) Ltd. He resigned on 1 April 2007 and on that same date, Mr Mehta became sole director of that publishing company. Mr Wild remained a shareholder.
53. On 18 March 2010, Mr Chapman registered, at Companies House, the company name "The East India Company (Group) Limited". Since its name was essentially identical to a company registered in the British Virgin Islands owned by Mr Mehta (and formed on 22 October 2007) Mr Mehta, via his ongoing relationship with Mr Wild, requested that Mr Chapman cease use of the name and transfer the company name to EIC. **Exhibit SM-13** shows an email dated 29 July 2010 from Mr Chapman saying that he would

procure and complete a transfer form, work out how much the whole exercise has cost “(not much)” and “settle up” with Mr Mehta. Mr Mehta states at paragraph 30 of his **Witness statement dated 30 January 2019**, that Mr Chapman requested £450 as “his expenses” (**Exhibit SM-12** shows an email dated 18 August 2010 from Mr Wild to Mr Mehta regarding Mr Chapman’s request for £450 expenses). Mr Chapman states that Mr Mehta balked at the price and did not counter offer (**Witness Statement of Robin Chapman 10 July 2019 at paragraph 7**). The transfer of the company name to EIC did not proceed. **Exhibit SM-13** shows that on 24 August 2011, Mr Chapman’s company changed its name from The East India Company (Group) Limited to “The East India Company Indian Tonic Water Ltd”. Mr Chapman states that he took this step for reasons unrelated to Mr Mehta’s request the previous year (**Witness Statement of Robin Chapman 10 July 2019 at paragraph 7**).

54. **Exhibit SM-12** also shows an email dated 3 June 2011 from Robin Chapman to a third party (a food consultant) seeking assistance and in which he states that he at that time owned all the shares in the following companies: “(a) *The East India Company (Holdings) Limited*; (b) *The East India Company Pale Ale Limited* (c) *The East India Company London Dry Gin Ltd* (d) *The East India Company Indian Tonic Water Ltd.*” Mr Chapman’s email further stated that “*The East India Company Ltd*” is owned by Sanjiv Mehta and his associates. *They have registered two trade marks. I have no trade marks. They have a shop in Conduit Street. It has a different business from the one I have in mind for my companies. I have met Sanjiv on another matter. I am perfectly happy to share my plans and work in conjunction with Sanjiv. Indeed it may be my preferred route. ... Years ago I had a discussion with a brewer about producing a The East India Company India Pale Ale. We almost reached a deal. One way or another I want e.g. The East India Company India Pale Ale Ltd to produce a very up market beautifully packaged original recipe India pale ale which you are proud to put on the table at Claridges.”*

55. Mr Chapman states (at paragraph 8 of his **Witness Statement 10 July 2019**): “*In 2011 I was perfectly open about my intention to start an Indian Tonic Water and/or London Dry Gin business (the latter a different product to “gin”, as set out in my opposition statement) and also in relation to Pale Ale. But it was precisely because of my knowledge of the Applicant [for cancellation] that I applied for the mark that is the subject of these cancellation proceedings: I believed and still do that my mark is not capable of confusion with the Applicant’s mark. The Applicant [for cancellation] claims inspiration*

from The East India Company 1600 ... and it could be argued that I am using a similar form of inspiration from 17th – 19th century history, but executed in a manner that I believe does not impinge on the Applicant's business: I use a prominent graphic image and the only common words between the Applicant's marks and mine are "East India" which are unprotected."

56. I also note Mr Chapman's account in his counterstatement to the oppositions and in his **Witness Statement 10 July 2019 at paragraph 6**, that as a director of the publishing company he had no part in its day to day affairs and gleaned no information from that company relating to EIC's affairs, nor had he gained any information since then that would not be available to a member of the public. EIC Publishing had no premises and the books were written exclusively by his friend Mr Wild, who wrote from home. The only evidence of Mr Chapman having taken any action in his role as director is his signature on a document in August 2006 licensing to the publishing company Mr Wild's copyright in a few East India Company-themed books (**Exhibit SM-11**).
57. I also note that the evidence contains a number of press articles covering Mr Mehta's development of his company. For example, **Exhibit SM6** includes an article from *FT.com*, dated August 2010 that gives an account of Mr Mehta having "*bought the registration of the East India Company from UK private investors for a small sum in 2005. The East India Company will be a more modest enterprise than its predecessor, whose original sphere of influence encompassed a fifth of the world's population.*" It refers to plans to open a store in Mayfair, London "*selling high-end foodstuffs such as Earl Grey tea, single-estate coffee and speciality marmalade ... and plans to diversify into alcoholic drinks that are connected to the history of the British Empire, such as India Pale Ale and gin and tonic.*"
58. At **paragraph 4 of Mr Chapman's witness statement dated 18 March 2019** he refers to three other trade mark registrations in classes 32 and 33 that are owned by the Opponent, but which are not relied on in the present proceedings. Those UK registrations are evidenced as **Exhibit RC-3** (UK TMs 3333281 and 1437572) and **Exhibit RC-4** (UKTM 3236778). They are said to include the name, coat of arms and Latin slogans of the original East India Company 1600. Mr Chapman raises these extraneous registrations in the context of part of his argument against the Opponent's claimed reputation, since Mr Chapman submits that EIC "*attempts to pass itself off as*" the 1600 company. Mr Chapman states that "*for these three marks the Opponent has*

only figurative rights: as per the registration details for both marks in Exhibit RC-3: "Registration of this mark shall give no right to the exclusive use of the words "The East India Company"". Those marks are irrelevant to the relative grounds, since EIC relied for those claims on different registrations, which are word only, and where no disclaimer is registered. I refer to this evidence only in the context of the serious allegation that in applying for his trade marks Mr Chapman's conduct, judged by ordinary standards of honest people, was dishonest or otherwise fell short of the standards of acceptable commercial behaviour. I also note the evidence at paragraph 9 of **Witness Statement of Robin Chapman 10 July 2019** to the extent that it states that there are other companies such as East India Company UK Ltd and The British East India Company Limited that are unconnected to either party.

59. Mr Wood's skeleton argument submitted the following in relation to what Mr Chapman knew at the relevant dates:
- (i) that he must have known of the existence of EIC or the group of which it is part and that it had taken over the publishing company of which he was a director;
 - (ii) that he must have become aware of the activities of EIC or the group of which it is part;
 - (iii) that he must have known of EIC's claim to the rights in THE EAST INDIA COMPANY;
 - (iv) that he must have known that the companies he established at the time EIC relaunched the brand were a direct threat to EIC and were attempts by Mr Chapman "to acquire rights in East India".
60. In light of the content of the evidence that I have referenced above, I accept points (i) and (ii). As to points (iii) and (iv) the closeness in the various company names does not lead to a finding of bad faith. The Opponent has no exclusive rights to company names featuring East India. Mr Chapman has evidently had some interest in the historic East India company and appears to have had plans to produce the relevant goods and it is understandable that he may apply for relevant trade marks. This background suggests that Mr Chapman had his own legitimate business interest in the use of "East India" at the relevant dates in these proceedings (and even before the filing dates of the other side's marks). Mere knowledge of another business using a similar mark is not, in itself, evidence of bad faith.¹⁸ Businesses are competitive and it is open to people in business

¹⁸ *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others* [2009] RPC 9 at [189 - 190] (approved by the COA in [2010] RPC 16))

to make judgements as to whether a trade mark may or may not conflict with another. Mr Chapman has pointed to the differences in the formulation of his mark such that he believed they would not conflict with EIC's registrations, which tends to point to reasons other than those that could be considered as bad faith.

61. The Opponent's allegations included that Mr Chapman had an ulterior motive such as to facilitate a commercial arrangement with EIC and at the hearing, Mr Wood referred to the request for £450 as a financial motive. This amount is small and would appear consistent with a reasonable request for his costs to be reimbursed rather than an attempt to leverage monies from the opponent. In my view, Mr Chapman's conduct appears consistent with good faith.
62. Mr Wood referred in his skeleton argument to a decision by the tribunal published as BL O/083/13, which he acknowledged was not squarely aligned in its facts, but which he submitted had relevant parallels for a finding of bad faith. Other decisions of the tribunal are not binding on fellow hearing officers and of course each case turns on its facts, but moreover, in the decision cited, there had been an express undertaking not to carry on any competing business by reference to the contested name. I, therefore, decline to find bad faith based upon the claimed parallels with that case.
- 63. I find the allegations of bad faith are not proved and I reject the Opponent's claim under section 3(6).**

Outcome: The oppositions and the cancellation application have failed under each ground. Both Application No. 3307512 and Application No. 3307514 are able to proceed to registration. Mr Chapman's registration under No 3217797 remains intact.

COSTS

64. Mr Chapman is entitled to a contribution towards his costs in defending these proceedings, in line with the scale published in the annex to Tribunal practice notice (2/2016).

Reviewing the statements of grounds and preparing a counterstatement (taking account of the overlap between the three proceedings):	£400
Preparation of evidence and considering and commenting on the other side's evidence:	£600

Preparing for a hearing	£300
Total	£1300

65. I order The East India Company Spirits Pte Ltd to pay Robin Chapman the sum of £1300 (one thousand three hundred pounds). This sum is to be paid within 21 days of the end of the period allowed for appeal or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings (subject to any order of the appellate tribunal).

Dated this 30th day of March 2020

Matthew Williams

For the Registrar
