

O-259-20

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3330375

TO REGISTER AS A TRADE MARK:



FOR GOODS IN CLASS 9

AND

IN THE MATTER OF THE OPPOSITION THERETO UNDER NO. 414460


BY K NYUK KENT

BACKGROUND AND PLEADINGS

1. On 8 August 2018 (“**the Relevant Date**”), Sanjay Giri (“**the Applicant**”) applied to register the figurative mark shown on the front page of this decision as a UK trade mark in respect of the following goods in Class 9 (“**the Application**”):

Batteries; Batteries for mobile phones; Batteries for phones; Chargers; Chargers for batteries; Chargers for mobile phones; Chargers for smartphones; Battery chargers; Battery chargers for mobile phones; Cell phone battery chargers; Battery chargers for mobile phones; Battery packs; Mobile phone battery chargers.

2. The Application was published for opposition purposes in the Trade Marks Journal on 24 August 2018. On 23 November 2018, K Nyuk Kent (“**the Opponent**”) filed a Form TM7 notice of opposition. The Opponent seeks refusal of the Application in its entirety; the opposition is based on section 5(4)(a) of the Trade Marks Act 1994 (“**the Act**”). The Opponent’s statement of case claims to have used the sign “delta battery PRO” throughout the UK since 1 January 2008, in relation to *batteries, including batteries for mobile phones, chargers, including chargers for mobile phone batteries and power banks, also known as battery packs*; it thus claims to be the proprietor of an earlier right. In the notice of opposition, the claimed sign relied on by the Opponent was given just as the three words (delta battery pro). However, the Opponent’s evidence and submissions later state that the sign relied on by the Opponent is precisely the same as the mark applied for, including the figurative

element; thus the sign is also  delta battery PRO (“**the Sign**”).

3. The Opponent’s statement of case is as follows: that the Sign has been used as a packaging label in respect of mobile phone batteries since at least as early as 2008 throughout the United Kingdom; that there is a reputation and goodwill under the Sign; that use of the applied-for mark in relation to the goods under the Application would likely lead consumers to believe that the goods had been made by or with the permission of the Opponent, or were in some way connected with or authorised by the Opponent; that that misrepresentation would lead to damage to the Opponent’s goodwill and business. Thus, use of the applied-for mark in relation to the goods was liable to be prevented at the Relevant Date by the law of passing off.

The Applicant's defence

4. The Applicant filed a Form TM8 notice of defence, including a counterstatement, stating that the Opponent has provided "no detail of the unregistered trade mark in commercial use" and "the Applicant conducted appropriate market competitor analysis prior to devising their proposed trade mark". It denied the assertion that the Opponent has prior rights to the trade mark since January 2008 and the Applicant awaited appropriate evidence that the Application breaches section 5(4)(a).

Representation and hearing

5. The Applicant has no professional legal representation in these proceedings. The Opponent's representative is identified as Shi Wei, but it is not clear that Shi Wei acts in a professional legal capacity; I consider both parties to be acting as litigants-in-person in these proceedings.
6. Both parties filed materials during the evidence rounds, some of which were not admitted into the proceedings. I summarise the papers filed below. The Opponent requested an oral hearing, which took place by telephone on 30 March 2020 attended by K Nyuk Kent and Sanjay Giri. Having carefully read all relevant materials, and listened to the parties' spoken points, I gave my decision at the end of the hearing, which I formally set down here.

Papers filed

7. **The Opponent** filed evidence in the form of a **witness statement of K Nyuk Kent**, dated 28 May 2019, which stated that the Opponent understood that to succeed in a claim based on section 5(4)(a) of the Act it would be necessary to show that at the Relevant Date the Opponent owned goodwill or reputation under the Sign in relation to replacement mobile phone batteries and chargers, plus misrepresentation and damage. In relation to that goodwill, the witness states that in 2008, the Opponent decided to launch a range of mobile phone replacement batteries and chargers; a decision based on the Opponent's experience and a realisation that there was a gap in the market for such products. The Opponent decided to develop and design a logo for the product range with the aid of a product designer in China, Zhou Mei Fen, which resulted in the Sign which was finalised on or around 17 June 2008.

8. The Opponent also filed separate **submissions** of the same date (28 May 2019). The submissions provided further information in relation to goodwill, as I here set out in full:

“The Opponent started trading under the Sign in September 2012, both as herself and trading as “me.megamall”. By the Relevant Date, she had made sales of 203,962 products and had generated income of £2,013,984 and spent over £368,000 in eBay ads to promote and marketing the Sign. The Opponent had also promoted her products through her affiliates. This had generated good reviews, both eBay and her affiliates.

It is submitted that these sales, accompanied by efforts of the Opponent to promote her products and by the favourable reviews received in relation to her products demonstrate that, by the Relevant Date, the Opponent had generated goodwill in relation to replacement mobile phone batteries and chargers sold using the Sign.

In addition, the Opponent designed packaging for the products sold under the Sign, incorporating the Sign (the “Packaging”).

It is submitted that the sales, reviews and promotion of the goods sold by the Opponent have also generated goodwill in relation to the Packaging, since all these goods were sold in Packaging or in highly similar packaging.”

9. **The Applicant** filed evidence in the form of a **Witness Statement of Mr Sanjay Giri**, dated 5 September, with exhibits SG1 - SG6. Mr Giri’s evidence is to the effect that he first used the sign “deltabatteryPRO” in the UK in June 2018. Exhibit SG2 is an invoice dated 27 June 2018 for £100 for a “bespoke logo design”. Mr Giri’s evidence suggests use of the mark for battery goods on sites such as eBay and Mr Giri refers to subsequent sales totalling nearly £7000.

DECISION

10. The Opponent claims that, at the Relevant Date, use in the UK of mark applied-for was liable to have been prevented by virtue of the law of passing off protecting the Sign used by the Opponent in the course of trade in the UK, and as such registration of the Applicant’s mark would be contrary to section 5(4)(a) of the Act. The tort of passing off, as described in case law¹, comprises three elements:

- (i) a goodwill or reputation attached to the relevant goods;

¹ See, for example, Lord Oliver in Reckitt & Colman Products Limited v Borden Inc [1990] RPC 341

- (ii) a misrepresentation by the defendant to the public (whether or not intentional) leading, or likely to lead, the public to believe that the goods offered by him are those of the claimant; and
- (iii) damage to the claimant, arising from the erroneous belief (caused by the defendant's misrepresentation) that the source of the defendant's goods is the same as the source of those offered by the claimant.

11. **What is goodwill?** Goodwill has been described in case law² as “the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom.” Goodwill is built on use: it is use that creates a customer connection. In response to Question 1 in the notice of opposition, the Opponent claimed to have first used the Sign “throughout the UK” as from “1 January 2008”. This appears to be at odds with the evidence in the witness statement of K Nyuk Kent that the Sign was finalised on or around 17 June 2008. It also appears at odds with the statement in the Opponent’s submissions that trading under the Sign started more than four years later (September 2012).
12. **Evidencing goodwill:** As to establishing the necessary goodwill, I note the often-cited words of Pumfrey J. in *South Cone Incorporated v Jack Bessant*³, where he stated: “There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case.”
13. In *Hart v Relentless Records*⁴, Jacob J. (as he then was) stated his view that “the law of passing off does not protect a goodwill of trivial extent. one is looking for more than a minimal reputation.” This is not to say that one must be a large player to be protected under

² House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL)

³ *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC19 (HC) at paragraphs 27 and 28 of that ruling

⁴ [2002] EWHC 1984 (Ch) at paragraph 62 of that judgment

the law of passing-off; a small business may be capable of establishing goodwill - even though its goodwill may be modest, a business can protect signs which are distinctive of that business under the law of passing off.⁵ It is also the case that a relatively short period of time may be sufficient to build up goodwill, as Buckley J found in *Stannard v Reay*⁶: “...even though the plaintiffs had only been trading for about three weeks, there was evidence of substantial takings by the business which fell when the defendants commenced trading. It was not impossible for goodwill in a new kind of business to be built up in a short period of time ...”.

14. To succeed on the basis of a section 5(4)(a) claim, the Opponent must show prima facie evidence that it has goodwill in the form of customers in the UK for the goods in question. At the hearing I re-emphasised the difference between submissions and evidence. Although the Opponent’s submissions refer to sizeable sums earned in income and spent on advertising by the Relevant Date, this is not evidence – for example, it is not given under a statement of truth (as would be a witness statement). Moreover, while the Opponent appears to have been aware of the need to provide evidence to establish the claim to goodwill, the Opponent has filed no evidence that shows sales to UK customers under the Sign before the Relevant Date. In the absence of evidence that the Opponent enjoyed the necessary goodwill, it cannot be considered to be the proprietor of an earlier right.
15. Since the three components of the tort of passing off are cumulative, the absence of goodwill means that **the claim under section 5(4)(a) must fail**. (Had the Opponent shown evidence that established goodwill under the Sign for the goods in the UK, clearly misrepresentation and damage would have followed, since the Sign appears to be identical to the mark applied-for and damage in the form of confusion and diversion of sales may be assumed to follow.)
16. I mentioned at the hearing that the Applicant’s evidence of its own use, could only have been relevant if it had shown that the Applicant had goodwill of its own that predated any claimed by the Opponent. I also mentioned that failure at opposition does not preclude a subsequent challenge to cancel a registered mark on the same grounds if a challenger were able to provide the required evidence.

⁵ See for example Millett J in *Stacey v. 2020 Communications Plc* [1991] F.S.R. 49

⁶ [1967] FSR 140

OUTCOME

17. The opposition has failed and the Application may proceed to registration following the appeal period.

COSTS

18. An applicant would generally be entitled to a contribution towards its costs of defending its application against unsuccessful opposition proceedings. For a litigant in person, this would be at a rate of £19 per hour as appropriate to the necessary tasks in the process. However, although the registry had invited the parties to file a costs pro-forma, neither party did so. In the circumstances, I made no award for costs.

Dated this 24th day of April 2020

Matthew Williams

For the Registrar
