TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No. 2102374 BY SNAP-MAP LIMITED

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO. 47230
BY CONCORD CAMERA (EUROPE) LIMITED

TRADE MARKS ACT 1994

IN THE MATTER OF Application No. 2102374 by Snap-Map Limited

and

IN THE MATTER OF Opposition thereto under No. 47230 by Concord Camera (Europe) Limited

BACKGROUND

1. On 11 June 1996 Snap-Map Limited applied under the Trade Marks Act 1994 to register the trade mark SNAP 'n MAP for a specification which reads;

Class 9

Cameras sold with maps.

Class 16

Maps sold with cameras.

The application is numbered 2102374.

- 2. The application was accepted and published and on 18 July 1997 Concord Camera (UK) Limited filed notice of opposition to the application. By letter dated 20 March 1998, the opponents' representatives informed the Office that the name of the opponents had changed to Concord Camera (Europe) Limited, a copy of the Certificate of Incorporation on change of name was included as an exhibit to a statutory declaration by Mr Tony Porter. The grounds of opposition as set out in the accompanying statement of case are, in summary:
 - (i) Under Section 32 of the Trade Marks Act 1994 in that the opponent is the owner of the trade mark SNAP 'n MAP and is the former joint applicant for registration of the mark under application No. 2018785.
 - (ii) That the opponent used the trade mark in respect of cameras sold with maps and maps sold with cameras prior to the date on which the application in suit was filed and that the said trade mark has therefore, by virtue of its use, become distinctive both to the trade and to the public as denoting the goods of the opponent. Therefore, the applicant cannot claim to be the proprietor of the mark.
 - (iii) Under Section 3(6) of the Act as the applicant could not have intended at the

date of application to use the trade mark the subject of the application in relation to all the goods listed in the specification. That the applicant is a map maker and has no wherewithal or capacity to manufacture and sell cameras, nor has had any history of doing so.

- (iv) Under Section 3(3)(b) of the Act in that the application is of such a nature as to deceive the public, particularly as to the origin of the goods.
- (v) Under Section 5 of the Act in that the trade mark the subject of the application is identical with an earlier trade mark or alternatively is similar to an earlier trade mark and is to be registered for goods identical with or similar to those for which the earlier trade mark is registered such that there is a likelihood of confusion on the part of the public.
- (vi) Under Section 5(4) of the Act in that the opponents' use of the trade mark would be protectable by the law of passing off.
- (vii) That registration of the trade mark would interfere with the trading activities and legitimate use of the opponent of its aforesaid trade mark.
- 3. The applicants filed a counterstatement denying the grounds of opposition. Both sides seek an award of costs.
- 4. The matter came to be heard on 9 November 2000 when the applicants were represented by Ms Jessica Jones of Counsel instructed by Castles, the opponents were represented by Mr Hugo Cuddigan of Counsel instructed by Buchanan Ingersoll.

Opponents' Evidence

- 5. The opponents' evidence consists of one statutory declaration and two declarations. The first, a statutory declaration, is by Tony Porter and is dated 16 March 1998. Mr Porter states that he is the European General Manager of Concord Camera (Europe) Limited, and that he has worked for the company and held this position since September 1997.
- 6. Mr Porter states that the opposition to the application in suit was filed in the name of Concord Camera (UK) Limited, and he confirms that his company's name was changed subsequent to the filing of the opposition. At TP1 he exhibits a copy of the certificate of incorporation on change of name issued by the Registrar of Companies showing this change of name.
- 7. Mr Porter states that his company is a major manufacturer and distributor of both disposable and permanent cameras, he says that his company manufactures cameras for Agfa, 3M, Boots, Kodak and Polaroid. The brand names of those parties are applied to such cameras. He says that with the exception of Kodak and Fuji, Concord is the biggest manufacturer in the world of single use or disposable cameras. He says that his company also manufactures and markets single use or disposable cameras under its own brand names including its range of brand names incorporating the element "SNAP".

- 8. Mr Porter explains that products were sold under the name SNAP 'n MAP in the United Kingdom from April 1995 onwards. He says that these products appeared on the market as a result of a joint venture between his company and Snap-Map Limited, the applicants for the trade mark. Mr Porter says that the agreement between the companies was a verbal agreement and that he has been unable to find any written correspondence covering its terms. He states that he is informed, by whom he does not state, and believes it to be true, that the agreement was made between Mr Allan Read of Snap-Map Limited and Mr Len Easterbrook and Mr Mark Easterbrook both of whom formerly carried out marketing and sales functions at his company and both of whom left the company shortly before his appointment. Mr Porter states that the agreement would have been entered into because his company itself does not produce maps just as the applicant does not have the wherewithal or expertise to produce cameras. He states that he understands and believes that the agreement was entered into in good faith by both parties and that there was absolutely no intention that either one of those parties should assume complete control of the venture or should assume proprietorship of the trade mark which was the badge representing the venture, namely SNAP 'n MAP.
- 9. Mr Porter states that as a result of the agreement his company and Snap-Map Limited jointly filed an application at the Trade Marks Registry on 26 April 1995 to register the trade mark SNAP 'n MAP. At TP2 he exhibits a print obtained by his company's trade mark agents Haseltine Lake which shows details of the application which was accorded the number 2018785. He notes that this application was noted as abandoned on 29 November 1996 and he states that this was the result of a decision by his company and the applicants to discontinue their joint venture of selling disposable cameras and visitors maps of London in a combination pack. He says that the venture came to an end because sales of the product were poor.
- 10. At TP3 Mr Porter exhibits an example of the product sold under the auspices of the agreement between his company and the applicants under the name SNAP 'n MAP. From the exhibit he notes the following points. Firstly, that on the bottom of the pack it is stated that the product is "manufactured and distributed by Concord Camera (UK) Limited" and that his company's former address is also given on the pack along with their telephone number; secondly, that the map inside the pack shows the Copyright to be jointly owned as follows "Copyright Snap-Map Limited and Concord Camera (UK) Limited 1995".
- 11. Mr Porter states that bearing these two points in mind the relevant intellectual property, both the trade mark application and the copyright in the map, was jointly owned by his company and the applicant. The second point he notes is that his company's name appeared prominently on the products in particular on the product box and as a result of this he believes that SNAP 'n MAP would have been associated primarily, by members of the public, with his company rather than with the applicant. Indeed, although in the yellow band on the map it states that it was produced by Snap-Map Limited, anyone requiring further information was directed to his company giving the contact Concord Camera (UK) Limited and a telephone number 0181 7449444.
- 12. Mr Porter states that the approximate turnover figures for sales under the SNAP 'n MAP product in 1995 and 1996 were £9,200 and £2,100 respectively. He states that the recommended retail price of the product was £9.99 though he believes the average selling price was around £6. Mr Porter states that advertising of the product was carried out and at

TP4 he exhibits a copy of an advertising leaflet. He says that these leaflets would have been sent out in information packs to prospective customers enquiring about selling the SNAP 'n MAP product and that such customers would have been for example newsagent shops and news stands based in and around central London.

- 13. At TP5 he exhibits a certified copy of other trade mark registrations owned by his company and containing the element SNAP, these are registrations for SNAP 'N GO (application date 16.02.96), SNAPJACKS (23.03.95) and SNAP-N-SNIFF (24.06.96). Mr Porter states that all of these trade marks have been used in the United Kingdom in respect of inexpensive cameras not dissimilar to those available under the SNAP 'n MAP trade mark. Mr Porter concludes that the SNAP 'n MAP product was the result of a joint venture between his company and the applicants, although in its presentation he believes the product would have been primarily associated with his company because of the way the product was packaged and distributed. He states that in his opinion the application by Snap-Map Limited to register SNAP 'n MAP in their own name was made in bad faith and he does not believe that the applicants can claim to be the exclusive proprietors of that trade mark for the goods covered by the application. He states that at the time the application was filed there was an existing goodwill in the SNAP 'n MAP name which did not attach exclusively to the applicants.
- 14. The opponents remaining evidence consists of two declarations by Larry Pesin, the Vice President of Marketing at Concord Camera Corporation the parent company of Concord Camera (Europe) Limited. The first of these is dated 26 March 1998. Mr Pesin states that his company had a legal and commercial interest in the trade mark SNAP 'n MAP in the United States and Canada, at LP1 he exhibits a copy of a print from a CD Rom showing that in the United States SNAP 'n MAP has been allowed by the US Patent and Trade Mark Office in Classes 9 and 16. The date of filing appears to be 11/01/96.
- 15. Mr Pesin states that SNAP 'n MAP products have been sold by his company in the United States since 1996 and he confirms that these products correspond very closely with the product which was placed on the market in the United Kingdom under the same name. He states that the product is a single use camera which retails at relatively inexpensive price and which is sold in conjunction with a tourist map. As in the United Kingdom, the products are targeted at tourists visiting a particular location and feature a visitors map highlighting tourist attractions. Mr Pesin states that his company has produced SNAP 'n MAP products in the United States of America featuring New York, Florida and Hawaii. At LP2 he exhibits photocopies of the front of packs of his company's products which he confirms are still on sale.
- 16. Mr Pesin states that the issue of the United Kingdom application by Snap-Map Limited to register SNAP 'n MAP in their own name should be seen not only in the context of the agreement between the parties in the United Kingdom but also in the context of his company's sales of a corresponding product, under an identical trade mark in the United States of America. He concludes by stating that the applicants attempt to acquire for themselves exclusive rights in the trade mark SNAP 'n MAP is made in bad faith. Mr Pesin's second declaration is dated 10 June 1998. In this he refers to his earlier declaration where he stated that the trade mark had been registered in Canada, however since making that declaration he states that he is now informed that although the trade mark SNAP 'n MAP has been allowed

by the Canadian Trade Mark Office it has not yet been registered.

Applicants' Evidence

- 17. The applicants' evidence consists of a single statutory declaration dated 8 February 1999 by Mr Dennis Read, the Director of Snap-Map Limited, the applicants. Mr Read states that he has held the position as Director since 1993 and that he has been employed by his company since 1991.
- 18. Mr Read states that he has read the evidence filed by the opponents in these proceedings and that his declaration is made in response and in support of the above application. Mr Read explains that the trade mark SNAP 'n MAP is a variant of his company's registered trade mark SNAP-MAP. He states that the name SNAP-MAP was devised in approximately August/September 1991 during the course of an informal brain storming session at which he was present together with Robert Smith and Allan Read. He explains that the inspiration came from an innovative map which they were looking to produce. Mr Read states that before his company was incorporated he felt that there was a gap in the market for a good quality pocket sized map which could be sold at inter alia tourist attractions and at places such as train stations and airports. He states that together with his colleagues Allan Read and Robert Smith he therefore developed the idea of selling a map through a vending machine initially on the London underground. Mr Read explained that it was intended that the map would illustrate details of the London underground network over a street plan highlighting London's various tourist attractions and would include discount vouchers for entry into the same. It was proposed that the map would be sold in a pop-up format incorporating an intricate folding technique and would be packaged in a way suitable for vending. Mr Read states that in 1991 his company approached London Transport with the idea. They were enthusiastic and attracted by the innovative design format and vending method as well as the distinctive and memorable name SNAP-MAP. Mr Read states that his company was incorporated in late 1991 under the same name and that they began a trial run in approximately March/April 1992 of maps which were vended on London underground stations by reference to the SNAP-MAP trade mark. At DL1 is a copy of the certificate of incorporation of his company and at DL2 he exhibits a copy of the licence agreement which was made with London Regional Transport regarding the venture. This includes an obligation to pay royalty fees for the exploitation of elements of their intellectual property including the London underground trade mark.
- 19. Mr Read states that since incorporation they have continuously manufactured maps under the name SNAP- MAP Limited and since early 1992 under the trade mark SNAP-MAP. As a result, he says that his company has acquired significant goodwill and a reputation in the name. At DR3 he exhibits an example of one of their maps sold under the trade mark SNAP-MAP. Mr Read gives the following sales figures since 1991 by reference to the trade mark SNAP-MAP:

Turnover £
16,907
67,615

1994-1995	148,441
1995-1996	245,993
1996-1997	246,108
1997-1998	329,855

- 20. Mr Read states that approximately 95% of these sales relate to the London Transport venture.
- 21. Mr Read goes on to state that they filed a trade mark application under No. 1586537 for the trade mark SNAP-MAP on 3 October 1994 in respect of "maps; all included in Class 16" and that they subsequently obtained a registration. At DR4 he exhibits a copy of the registration certificate for the same.
- 22. Mr Read states that in March/April 1994 Mark Easterbrook, the then UK Marketing and Sales Manager of the opponent who were formally known as Concord Camera (UK) Limited, approached his company with a view to entering a supply agreement whereby they would manufacture maps to be sold in combination with a disposable and reusable camera which the opponents would manufacture. He states that Mr Easterbrook told him that he had seen their maps for sale in the London underground stations and was excited by the concept of selling a map/camera product in a similar format. At DR5 Mr Read exhibits a copy of a letter dated 8 April 1994 from Allan Read of Snap Map Limited to the opponents and a copy of a memo dated 3 October 1994 from Len Easterbrook of the opponents to Richard Oppenheimer of Concord USA, their parent company, regarding the concept. Mr Read notes that on page 2, paragraph C, the map was seen as more important commercially than the camera.
- Mr Read states that no written agreement was ever entered into with the opponents although there was a verbal contract between the parties that the applicants would supply an initial 15,000 maps for sale in combination with a disposable camera to be sold under the brand name SNAP 'n MAP. Mr Read states that they were asked to produce 30,000 maps in total, the other 15,000 to be sold in combination with a reusable camera which they understood was to be sold as part of the venture with London Transport. Mr Read states that these maps did not bear the SNAP 'n MAP trade mark. At DR6 he exhibits a copy of an invoice dated 2 June 1995 for 30,000 maps. Mr Read states that SNAP 'n MAP was a variant of his company's name and trade mark SNAP-MAP. He states that the opponents liked the catchy nature of his company's name and trade mark SNAP-MAP as they perceived a covert allusion therein to maps sold with camera. He states that to accentuate this idea the variant SNAP 'n MAP was coined at a meeting between himself, Allan Read, and Len and Mark Easterbrook of the opponents.
- 24. Mr Read states that his company understood by virtue of discussions with Mark and Len Easterbrook of the opponents that if the initial sales of the map/camera product were good, that both parties would enter into a more formal business relationship to exploit the commercial opportunities both here and abroad. However, Mr Read states that they only received £14,287 during the course of their business relationship with the opponents which was for the supply of the initial 30,000 maps. He states that they did not receive any share of the profits of the sale of the subsequent finished map/camera product and that the opponents purchased their maps on a sale and no return basis.

- 25. Mr Read states that in view of the manner in which his company supplied the maps they did not consider that they had at any stage entered into a joint venture merely a supply agreement. At DR7 he exhibits a copy of a letter dated 8 April 1994 to Mark Easterbrook of the opponents which he says makes it clear that there was no joint venture at that time. Mr Read states that they consented to the use of SNAP 'n MAP, which in his view is a similar trade mark to their own UK registration No. 1586537 and covering identical goods, on the assumption that the trade mark was only to be used for the duration of the supply agreement and any subsequent joint venture. Mr Read states that use by the opponent of SNAP 'n MAP in relation to a map/camera product once their commercial relationship had terminated could not be countenanced given that this would constitute an infringement of their prior registration and damage their goodwill.
- Mr Read states that in the context of the relationship between the parties, as it was at this 26. time, it was his company's perception that SNAP 'n MAP was owned by his company because it was merely a variant of its trade mark. To the extent that the opponent had any interest therein, this was not proprietary in nature, but merely as a licensee commercially motivated to maximise sales by exploiting the goodwill that already attached to SNAP-MAP. Mr Read states that as an act of good faith, however, and to show their commitment to the future venture which they expect to materialise, they agreed to file an application in joint names for the mark SNAP 'n MAP. He states that whilst the application was filed in joint names his company paid the filing fee and they undertook to prosecute it themselves. Furthermore, he states that it was always their view that they would only allow that application to mature to registration in the face of their earlier registration for SNAP-MAP in the event that the business relationship between the parties developed favourably and was put on a more formal footing. Mr Read states that the jointly filed application was allocated number 2018785, but as he explains further, it was subsequently abandoned when they could not resolve the dispute regarding its ownership.
- 27. Mr Read states that his company was particularly sensitive to the question of ownership of the SNAP 'n MAP trade mark given the existence of their reputation and goodwill in their registered trade mark SNAP-MAP. Whilst they filed a joint application it was not their intention that the opponent would be able to continue to use SNAP 'n MAP if their commercial relationship ended. Mr Read explains that the Trade Mark Registry when examining application No 2018785 raised an objection based on their company's prior registration, as it was registered in his company's sole name and covered maps. At DR8 he exhibits a copy of the examination report. Mr Read explains that it was at this point that they decided in the light of the fact that they had seen no further business from the opponent, following the initial purchase of 30,000 maps, that they should take steps to transfer the SNAP 'n MAP application back into their sole name. At DR9 is a copy of their letter dated 1 February 1996 to the opponent in which they set out the terms of the transfer. Mr Read notes that his company were prepared to grant a licence to the opponent.
- 28. Mr Read goes on to refer to paragraph 6 of Mr Porter's Statutory Declaration where Mr Porter states that the SNAP 'n MAP product would have been associated primarily with the opponents by virtue of the manner in which the opponents' name, address and contact number appear on the camera packaging. Mr Read says that they agreed to the opponent referring to itself as the after sales point of reference for the customers on the outer packaging of the

product as it was more likely that customers would wish to speak to the camera manufacturers than themselves. If a consumer was going to be dissatisfied with any aspect of the product it would be with the camera and not the map. Furthermore, he states that they felt that their connection with the product was prominently indicated by the name SNAP 'n MAP which was easily recognisable as a variant of their trade mark and likely to be associated by members of the public with them by reason of its similarity with SNAP-MAP. In the circumstances he states that they believed that their interest in the trade mark were adequately protected and that furthermore they were the producers of the map and packaging and their company name also appeared on the map.

- 29. Mr Read goes on to refer to Mr Porter's declaration where he stated that the opponent carried out all the advertising regarding the map/camera product under the mark. Mr Read states that whilst he acknowledges that the advertising was indeed carried out by the opponent this was the result of a commercial decision that the product was to be initially sold through the opponent's established channels of trade, namely small retail outlets and the applicants were merely to supply the map. He states that it was hoped that the SNAP 'n MAP product would subsequently be sold via vending machines on the London underground stations which is the principal way in which they sell their SNAP-MAP. Mr Read states that it was ultimately hoped that the vending machines would be used worldwide. Although, as it turned out, the map/camera product was never vended on the London underground.
- 30. Mr Read says that his company's commercial relationship (such as it was) with the opponent was effectively terminated on 9 May 1996, which was the date on which their on-going discussions regarding the ownership of the trade mark finally broke down. At DR10 he exhibits a copy of a letter from the opponent dated 9 May 1996. In view of the termination of the commercial relationship and the opponents' failure to agree to the first trade mark proceeding solely in their name, they subsequently applied to re-register SNAP 'n MAP in their sole name with a view to future usage. Mr Read says that so far as they were concerned, therefore, the commercial relationship between the parties was terminated because of the dispute over ownership of the trade mark and not because of poor sales as stated in paragraph 5 of Mr Porter's Statutory Declaration. He says that they remain optimistic that they can find another business partner with whom they can exploit the SNAP 'n MAP idea conveyed by this variant of their trade mark, using vending machines to sell a map/camera product. He says that so far as his company is concerned, upon termination of their commercial relationship, there were no ongoing contractual provisions which prevented them from using and registering SNAP 'n MAP on their own in relation to the goods claimed in the subject application, as they had only ever entered into a supply agreement with the opponents. Mr Read says that it was also their view that SNAP 'n MAP was always their trade mark in the context of the business relationship and could only be used with their consent.
- 31. Mr Read notes from Larry Pesin's declarations that the opponent's parent company Concord Camera Corporation has filed a US application under serial No 75/042339 on 11 January 1996 and a Canadian application under No 0796635 on 6 November 1995 for the identical mark in respect of identical goods. He says that both applications were filed prior to the subject application and before they considered the commercial arrangements to be terminated. He says that until reading Mr Pesin's declarations his company was not aware of the filing of the aforementioned Canadian and US trade mark. He says that he would have expected, given

their relationship with the opponents, to have been notified of such applications and for their agreement to have been sought even though they had no prior rights in the United States or Canada. Mr Read states that the opponent considers that the filing of the trade marks in suit by his company in the United Kingdom to be in bad faith, however, in his view it is not their application that was made in bad faith but the opponent's parent company's US and Canadian applications which were made behind their backs whilst they were still expecting to go ahead with the joint venture. He says that in the circumstances, the opponent is trying to appropriate SNAP 'n MAP trade mark which is the variant of his own company's name to obtain a monopoly in respect of a camera/map product in the US and Canada. He says that his company was not asked to supply the maps for use in these markets as they would have expected, if the joint venture had gone ahead.

- 32. Moreover, he notes with concern from Exhibit LP2 in Mr Pesin's declaration that the opponent's parent company has used his company's actual trade mark SNAP-MAP and not even a variant, in relation to its map/camera product in US. He suggests that the opponent chose to use the SNAP 'n MAP trade mark and their maps merely as a pre-launch trial for its own product in the US and Canada without their involvement.
- 33. Referring to paragraph 9 of Mr Porter's Statutory Declaration where he refers to the opponent's registrations for SNAP 'N GO, SNAPJACK and SNAP-N-SNIFF he has been advised by his trade mark attorneys that they do not consider that these marks are similar to SNAP-MAP. He says that the word SNAP is entirely non-distinctive in relation to cameras and, in view of this, they are readily distinguishable from SNAP-MAP and visual confusion is unlikely to occur. He says that he has also been advised by his trade mark attorneys that there are a number of marks that co-exist on the trade marks register which include the word SNAP in respect of photographic apparatus and equipment. At DR11 he exhibits a copy of a search of his trade mark attorney's in-house database. Furthermore Mr Read states that registration No 2057139, SNAP 'N GO, and No 2015025, SNAPJACK, were not cited against the subject application during the course of its examination. At DR12 he exhibits a copy of the examination report dated 5 August 1996.
- 34. Likewise, he notes that registration No 2103488, SNAP-N-SNIFF, was accepted in the face of the subject application. Mr Read states that it is quite clear therefore, that the Registrar does not consider the opponent's marks to be similar to the subject mark and on this basis they are of no relevance to the acceptance of the application in suit. He concludes by stating that he believes that his company is the bona fide proprietor of the subject application and will suffer detriment if the opponent successfully opposes his company's application, given the similarities with his company's SNAP-MAP trade mark and their extensive reputation and goodwill therein.
- 35. That concludes my review of the evidence.

Decision

- 36. Shortly before the hearing the opponents filed a skeleton argument in which the only ground of opposition referred to was that under section 5(4)(a) of the Trade Marks Act 1994. At the hearing Mr Cuddigan's submissions were confined to this ground of opposition. Whilst he did not specifically withdraw the remaining grounds of opposition he did not address me on these and Ms Jones informed me, as the opponents' skeleton had only referred to section 5(4)(a), she had assumed that the remaining grounds were withdrawn. The opponents did not seek to argue these other grounds before me and Mr Cuddigan acknowledged that section 5(4) represented the opponents' principal ground. In so far as the opposition is based on other grounds, it is dismissed. I take the view that there is no evidence to support them (and there were no submissions in lieu) therefore, I go on to consider the opponents' ground of opposition under section 5(4)(a). This 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
 - (b)

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.

- 37. The conventional test for determining whether the opponents have succeeded under this section has been restated many times and can be found in the decision of Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] RPC 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:
 - (1) that the opponents' goods have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
 - (2) that there is a misrepresentation by the applicants (whether or not intentional) leading or likely to lead the public to believe that goods offered by the applicants are goods of the opponents; and
 - (3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicants' misrepresentation.
- 38 Mr Cuddigan took me to the judgment of Mr Justice Jacob in a recent case, *Reed Consumer Books Limited v. Pomaco Limited* (2000) 23(10) IPD 23085 and referred to the following passage:

"Reed say, that the way this section operates is to assume that the mark is put in use by the registered proprietor on the date of application. Would it in respect of all or some of the goods covered by the registration amount to passing off?

Taking this case, given that Reed have created a goodwill in the mark before the mark was applied for by Pomaco, if Pomaco had used the mark for printed goods of a literary character, they would have been liable to be restrained by passing off.

I think that construction of the section must be right. You have to assume that the mark is put into use and the relevant date is the date the mark is applied for. What section 5(4) is really saying is you cannot have a registered trade mark for anything which, if used, would amount to passing off. It has to be shown that there would be a likelihood of passing off."

Later in the judgment Mr Jacob said:

"However, it is not always necessary to have specific evidence of misrepresentation. It can be inferred from the circumstances. If you have proof of reputation of an unusual name and proposed use of the same name for the same goods by the defendant, you will normally infer that deception and confusion will occur".

- 39. Mr Cuddigan invited me to find that this was the situation in the instant case. He points out that here we have the same goods and the same mark and that in such circumstances I could assume that passing off will occur. The one caveat that he put on this was the resolution of the question of ownership of the goodwill. This, in his view, was the central question and in seeking to support his contention that it was his clients to whom the goodwill had accrued, he referred me to a decision of the Court of Appeal in, *Scandecor Development AB v. Scandecor Marketing AB and another* [1999] F.S.R. 26 and to *MedGen Inc v. Passion for Life Products Ltd* (unreported). I am aware that the decision in *Scandecor* is before the House of Lords but I have proceeded on the basis of the decision of the Court of Appeal. However, before considering Mr Cuddigan's submission as to the ownership of any goodwill I must first find that the necessary goodwill exists.
- 40. When questioned as to the quantity and quality of the opponents' evidence concerning sales and advertising, Mr Cuddigan conceded that the evidence was weak. However, given that this case concerned the same trade mark and the same goods he submitted that the evidence was sufficient. I agree with Mr Cuddigan's submission that Mr Jacob, in *Pomaco*, found that misrepresentation can be inferred from such circumstances but only if you have "proof of reputation of an unusual name"; per Mr Jacob. The evidence of sales submitted by the opponents consists of the following passage from Mr Porter's statutory declaration. At paragraph 8, he states:

"The approximate turnover figures for sales under the SNAP 'n MAP product in 1995 and 1996 were £9,200 and £2,100 respectively. The recommended retail price for the product was £9.99, though I believe the average selling price was about £6.

Advertising of the product was carried out, and there is now produced and shown to

me marked "Exhibit TP4" being a copy of an advertising leaflet. These leaflets would have been sent out in information packs to prospective customers of my Company who were enquiring about selling the SNAP 'n MAP product, and such customers would have been, for example, newsagents shops and news stands based around the central London area most frequently visited by tourists."

- 41. Ms Jones criticised this evidence and I too have several reservations. The product appears to have been available for a limited period. This is not fatal to the opponents' case as it is possible to establish the necessary reputation in a short period of time, and indeed in the absence of any sales. But, when an opponent is seeking to establish such a case it is, in my view, incumbent upon them to bring forward cogent evidence to support the existence of their reputation. It seems to me that, the opponents' evidence is open to the following criticism:
 - 1. the turnover figures given are said to be approximate and the product is said to have had a recommended retail price of £9.99, although it may have retailed for £6. Based on the sales figures given this would give sales of around 1130 to 1883 units over the two year period. This in my view is very modest in the major tourist destination of London which the opponents' memo to their parent company (see exhibit DR5 to Mr Read's declaration) suggests is in the region of 10 million overseas visitors and 6 million visitors from within the UK, each year;
 - 2. there are no supporting documents, such as copies of invoices or sales returns which would confirm sales and provide specific information as to where, when and to whom such sales were made. Am I to infer from the bald sales figures that there were sales to the retailers or sales to the public? It seems to me that I am given no information that any sales were made to the public at all;
 - 3. I am informed that the advertising leaflet exhibit TP4 would have been sent to prospective customers who "were enquiring about selling the SNAP 'n MAP product". I am given no details of the number of such leaflets distributed, when they were sent out nor to whom they were sent; nor indeed how these enquiries were generated;
 - 4. the opponents' evidence states that the venture came to an end because "sales of the product were poor"; see paragraph 5 of Mr Porter's declaration. The relevant date in these proceedings is the date of application, that is 11 June 1996. The sales figures given for 1996 show a drop off to £2100. Am I to infer that these sales took place throughout the year and so infer that some sales were still taking place at the date of application? I am given no information one way or the other.
- 42. Mr Simon Thorley Q.C. sitting as the Appointed Person in *Scentura Creations Limited v Patrick Cox Designs Limited* (unreported decision of 6 November 2000 (0-471-00) at paragraph 18) stated:

"It is the duty of the registrar and of this tribunal on appeal to assess the weight that can be attached to the actual evidence that is placed before the court. It is not for us to try to assess on the basis of the evidence that has been filed, the strength of evidence which might have been filed had the opponents sought to do so."

- 43. As stated above, Mr Cuddigan referred me to the Court of Appeal's judgment in *Scandecor* at page 40, where they, used the test set out by Lord Oliver in *Reckitt & Colman Products Ltd v Borden Inc* [1990] 1 All ER 873. Adapted to this case it can be restated as follows: has Concord Camera (Europe) Limited proved that SNAP 'n MAP is associated in the minds of a substantial number of the purchasing public specifically and exclusively with them. In my view, for the reasons stated above, the evidence submitted by the opponents is insufficient for me to find that the necessary goodwill and reputation existed in the trade mark SNAP 'n MAP and so the opposition under section 5(4)(a) fails to clear the first hurdle and falls to be dismissed.
- 44. If I am wrong on this point and the necessary goodwill and reputation in SNAP 'n MAP was generated through sales of the camera and map combination, I go on to consider to whom that goodwill would have accrued. Both parties' Counsel made detailed submissions on this point. However, I note the comment of the Court of Appeal in *Scandecor* where the court stated at page 39:

"There are no quick, cheap or easy answers to be found in hard and fast legal rules, in binding precedents or in clear-cut factual and legal presumptions. As Lord Oliver said in his speech in *Reckitt & Colman Properties Ltd v. Borden Inc* at 449C:

'Although Your Lordships were referred in the course of argument to a large number of reported cases, this is not a branch of the law in which reference to other cases is of any real assistance except analogically. It has been observed more than once that the questions which arise are, in general, questions of fact'."

- 45. Before dealing with Counsels' submissions, I should mention an issue over which the parties have expressed different views in their evidence. This concerns the relationship of the parties. The opponents suggest that the sale of the camera and map combination was a joint venture; see paragraph 4 of Mr Porter's statutory declaration. However, the applicants in their evidence state that they did not consider that they had entered into a joint venture, merely a supply agreement; paragraph 14 of Mr Read's statutory declaration. In addition to the supply agreement, Ms Jones seeks to imply a licence between the applicants and the opponents with regard to the use of the name SNAP 'n MAP. Having said the parties disagree on this issue I do not think anything turns on this point. What is clear is that there was no written agreement between the parties regulating their relationship.
- 46. As for an implied licence, the applicants point to a letter addressed to the opponents dated 8th April 1994. This letter is Exhibited at DR5 to Mr Read's statutory declaration and states:
 - ".....We are also open minded as to the use of the product name 'Snap-Map' in marketing and packaging of the concept (and would be interested in handing the packaging and artwork if required), but this would have to be under written agreement from ourselves and subject to longer term negotiation".
- 47. Mr Cuddigan suggests that in the absence of a written agreement the applicants must imply terms into an implied agreement assigning the goodwill to themselves. Such an implied term

must be necessary to give business efficacy to that agreement or must represent the obvious intentions of the parties. Both parties seem to place reliance on the existence or otherwise of an implied licence. Indeed, Mr Cuddigan's argument at its simplest can be stated as follows. In the absence of any agreement to the contrary, the goodwill in SNAP 'n MAP belongs to the trade origin identified on the product. The question can be restated as: Who is attributed as the trade origin of the goods?

- 48. As stated above, Mr Cuddigan referred me to *Scandecor* and *MedGen*. The court in both cases found that the question of whether goodwill existed, and in respect of whose business, are questions to be decided on the particular facts of the case; *Scandecor* at page 41. Mr Cuddigan noted that *Scandecor* concerned a foreign licensor and a UK licensee (*MedGen* involved a US manufacturer and UK distributor), however, he submitted that nothing turned on the nationality of the respective parties. It seems to me that the court in both cases indicated that whether the goodwill goes to the licensee or licensor (distributor or manufacturer) will depend on the facts of the case. As Ms Jones put it, a licence cannot make the goodwill go one way or the other, it depends on the facts of the case. Given the guidance of the Court of Appeal on this issue, I do not consider that the existence of a licence or lack of such a licence to be a material factor in determining the question of ownership of the goodwill in this case.
- 49. Referring to *MedGen* Mr Cuddigan noted that the indication on the packaging in that case did not refer to the US company. The customers and wholesalers of the product only knew of the UK company. Mr Cuddigan submitted that this was the case here. His clients did all the advertising, marketing, manufacturing and packaging of the goods and were the point of contact for retailers. It was their name and details that appeared on the packaging. Thus, in his submission, all these factors point to the fact that the goodwill would have gone to his clients and not to the applicants.
- 50. I did not understand Ms Jones to resile from the submission that the facts of *Scandecor* or *MedGen* could apply to a UK licensor and licensee, however, she submitted that this is not the case here. Ms Jones suggested that at the date of the joint-venture/supply agreement, SNAP-MAP Limited already had an existing goodwill in maps sold under the trade mark SNAP-MAP. As the mark SNAP 'n MAP was an 'immaterial variant' on their existing well-known mark, Ms Jones argued that the goodwill associated with sales of the SNAP 'n MAP product would have accrued to her clients.
- 51. This is a very difficult case to decide because there is a lack of hard evidence from either party. The issue was not helped by the lack of a written agreement between the parties regulating the use of the trade mark. The applicants' evidence submitted by Mr Read is first hand in that he was with the company at the date when the conversations and negotiations between the parties took place. The evidence of the opponents, as to the events that surrounded the supply agreement/joint venture, suffers from the fact that their deponent Mr Porter, was not with the company at that time and therefore he can only state what he understands and believes to be the case. Mr Cuddigan was fair in acknowledging this fact.
- 52. In deciding to whom the goodwill would have accrued, I adopt Mr Cuddigan's test. Who is attributed as the trade origin of the goods? And as I am given no evidence from traders or the

public as to their perception of the product, I must judge the matter for myself.

- 53. Mr Cuddigan points to the factors set out above, including the fact that the opponents' name and details, and only those of the opponents, appear on the outer packaging. This is so; see exhibit TP3 to Mr Porter's declaration. However, the product in question is a relatively inexpensive tourist type purchase. In my view, the outer packaging would be discarded by the purchaser soon after purchase, there would seem little point in keeping the box. The user would then be left with the camera and map. I note that the camera contains no indication of the manufacturer at all, neither party's name appears on it.
- 54. Even if the customer retains the box, the outer cover of the map enclosed with the camera carries the following statement:

"Also Look Out For Our Exclusively Commissioned 35mm Re-Usable 'London Underground' Camera Plus Tourist Map (featuring a Focus Free Lens, Built in Flash, Rapid Film Advance and DX)

For a larger scale version of the 'Overground Underground Map' including Shopping Locations and Street Index ,look out for 'Snap-Map' Vending Machines at Central Underground and Main Line Stations."

55. From the evidence it seems that the 'Exclusively Commissioned' 'London Underground Camera' was a venture between Concord and the London Underground. The evidence shows that SNAP-MAP provided the maps enclosed with this product; paragraph 10 of Mr Read's declaration. Mr Read states that these were not sold under the trade mark SNAP 'n MAP. A copy of this product was not given in evidence so I have no way of knowing whether the map enclosed with this product also referred to SNAP-MAP. Be that as it may, it seems to me that a member of the public on purchasing the SNAP 'n MAP product and on seeing the statement above would view the sale of the map and camera as a joint venture. There is no distinction drawn between the 'London Underground Camera' and the larger version of the SNAP-MAP map. Therefore, I would say that any associated reputation and goodwill in the trade mark SNAP 'n MAP would accrue to both parties. I am strengthened in my view by the statement found in the information box on the reverse of the map. The information box is highlighted in yellow and includes the following statements:

"This map and accompanying information is published and produced by Snap-Map Limited, and is **the first in a range of Camera and Visitor Map combinations**". [my emphasis]

The statement goes on:

"For further information contact Concord Camera (UK) Limited on UK 0181 744 9444."

56. In addition, the copyright is shown as "Copyright Snap-Map and Concord Camera (UK) Limited 1995".

- 57. Taking all these factors into account, I have reached the view, not without some reluctance, that the goodwill in the SNAP 'n MAP trade mark would have accrued jointly to both parties. Mr Garnett Q.C., sitting as a Deputy High Court Judge, in *MedGen* acknowledges that this is legally possible if undesirable and he noted that neither party had sought to plead joint goodwill, that is not quite the case here. Although both counsel invited me to find that the goodwill belonged to their client and their client alone, other factors in my view points to a shared goodwill in the name.
- 58. Firstly, the opponents in their evidence suggest that it was their intention that the trade mark should be jointly owned. Mr Porter at paragraph 4 of his statutory declaration states:
 - "I understand, and do believe, that the agreement was entered into in good faith by both parties, and that there was absolutely no intention that either one of the parties should assume complete control of the venture, or should assume complete proprietorship of the trade mark which was the badge representing the venture, namely SNAP 'n MAP"
- 59. Secondly, both sides' evidence makes reference to the application for the trade mark SNAP 'n MAP filed in joint names on 26 April 1995. Ms Jones suggested in her submissions, that the applicants had been premature in allowing the joint application to be made and had expected a licence agreement to follow. That may be so, but the fact remains that such an application was made and I find that it shows that the intention of the parties was that the SNAP 'n MAP project was to be in the way of a joint venture.
- 60. My view is not displaced by the comments of Ms Jones with regard to any goodwill already existing in the applicants' trade mark SNAP-MAP nor by those of Mr Cuddigan who points to the fact that the opponents were responsible for advertising and distributing the product.
- 61. Whilst it seems to me that at the date when the camera/map combination was first sold the applicants did have a reputation in the trade mark SNAP-MAP, I do not think that this would have resulted in any goodwill in the camera/map combination accruing solely to the applicants. The wording on the map implies that this is the first in a range of Camera and Visitor Map combinations and refers to both parties. In my view, a member of the public could reasonably infer that both parties were connected with the project and therefore they are both entitled to the goodwill in the trade mark SNAP 'n MAP. As to any promotion of the product, I have already stated my view that the promotion does not seem to have involved advertising to the public or even to the trade. The opponents' evidence states that the adverts were sent out on request and I am not told how many were issued. It is certainly true that those retailers who sold the product would have associated it with the opponents; they were the point of contact. However, in the instant case I am not concerned with the view of retailers but with those of ordinary members of the public.
- 62. Where does this leave the question of whether, at the date of application, the opponents could have prevented the applicants from using the trade mark by virtue of the law of passing off. The fact that I have found that the goodwill was jointly owned does not in my view, lead to the conclusion that the opponents' case succeeds. It seems to me that there are two questions that I must answer in the affirmative before that is the case:

- (1) if goodwill is jointly owned can the one party prevent the other from applying for the trade mark; if so
- (2) at the date of application was there a goodwill in the mark.
- 63. The case law would suggest that when goodwill is owned jointly either party may take action against a third party in order to protect that goodwill; see for example *Dent v. Turpin* (1861) 70 ER 1003. Where there is joint goodwill can one party prevent the other from trading under the name? Although I note that the court at first instance in *Scandecor* found that as the goodwill was shared, neither could succeed in a passing off action; page 33 paragraph 3 of the Court of Appeal judgment. That finding was not considered on appeal. In any event, I find that I do not need to decide this issue as in my view the answer to the second of my two questions must be no and determines the outcome of the case.
- 64. I have set out above, my view that there was insufficient evidence before me to find a goodwill in the mark. Even if that view is wrong, the evidence of use points to a tailing off of use during the relevant period. The sales for 1996 are listed as £2,100. Even if I could assume that joint goodwill existed in the trade mark on the basis of sales in 1995 of £9,200, there is a clear drop off in the sales figures in 1996. The opponents' best case is that the sale of £2,100 took place throughout 1996. This would amount to sales of between 17 and 29 cameras each month. I would regard such sales as de minimus and insufficient to support a goodwill in the trade mark SNAP 'n MAP. I am of the view that I should also take into account the fact that the sale of this product over the two year period appears to have been in the way of a marketing trial. One that failed through poor sales.
- 65. In addition, the evidence submitted by the applicants appears to show that the relationship between the parties gradually declined throughout 1996. The letter at DR9 to Mr Read's declaration sets out the applicants' position with regard to future use of the trade mark SNAP 'n MAP, this is dated 1 February 1996. A reply from the opponents, at DR10, rejects the applicants suggestion of a licence and asserts joint ownership of the name. This letter is dated 9 May 1996. Mr Read says of this letter, "My Company's commercial relationship (such as it was) with the opponents was effectively terminated on 9th May 1996, which was the date on which our ongoing discussions regarding the ownership of the trade mark finally broke down. Exhibited hereto and marked DR10 is a copy of a letter from the Opponent dated 9th May 1996."
- 66. The application in suit was filed on 11 June 1996. In my view there was insufficient goodwill existing in the trade mark SNAP 'n MAP at 11 June 1996 for the opponents to have prevented the applicants from using the trade mark SNAP 'n MAP under the law of passing off and therefore, I dismiss their opposition to this application. I am aware that my findings in this case may not satisfy either of the parties but they are the only findings I feel able to reach on the facts that are before me.
- 67. To conclude, I summarise my findings under section 5(4)(a):
 - (1) I find that the evidence before me was insufficient to find that, at the relevant date the necessary goodwill and reputation subsisted in the trade mark SNAP 'n

MAP for a camera and map combination; if I am wrong on that point.

- (2) I find that any goodwill in the trade mark SNAP 'n MAP would have been jointly owned but that the volume of sales leading up to the relevant date shows de minimus use, insufficient to mount a passing off action.
- 68. The applicants have been successful and are entitled to a contribution towards their costs. I received detailed submissions on costs at the hearing. Ms Jones sought to argue that this was an unusual case and one where I should make an award of actual costs. Ms Jones submitted a Schedule of costs in the region of £6000.
- 69. However, as I have already stated, this was a difficult case to determine. As Mr Garnett QC sitting as a Deputy High Court judge in *MedGen* stated at paragraph 2.

"Yet the Court of Appeal warned in *Scandecor Development AB v. Scandecor Marketing AB* at 39, where there is no agreement which regulates the parties rights, the problem:

"...is ultimately soluble only by a factual inquiry [with] all the disadvantages of the length of its duration, the costs of its conduct and the uncertainty of its outcome"."

- 70. That has been the case here. The absence of a written agreement between the parties has added to the difficulty of deciding this opposition. Whilst a written agreement would not necessarily have determined the ownership of any goodwill it may have regulated the parties rights with regard to the use of the trade mark. The outcome of this case was not in my view certain and therefore I cannot find that the opponents' case was bound to fail. When a party enters into a venture with another party and there is no written agreement there is always a risk that should the relationship between them deteriorate, litigation will follow. Therefore I am not minded to make an award outwith the published scale. In the alternative Ms Jones sought an award from the upper end of the scale.
- 71. I will make the award of costs from the scale. In so doing, I take account of the fact that the opponents filed only one round of evidence and so the applicants had only one set of evidence to peruse. I take account also of the fact that the applicants were represented by counsel at the hearing, a decision which given the complexity of the issues was perfectly justifiable and I will increase the part of the award associated with preparation and attendance at the hearing. Therefore, I order that the opponents should pay the applicants the sum of £1000. This sum to be paid within seven days of the expiry of the appeal period or within 7 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 28 day of February 2001

S ROWAN For the Registrar the Comptroller-General.