O-165-11

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2526850 BY REPIBLIC LONDON LTD TO REGISTER THE TRADE MARK



IN CLASS 25

AND

THE OPPOSITION THERETO UNDER NO 100039 BY JAN SUCHANEK

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Background

1. On 24 September 2009, Repiblic London Ltd applied to register the above trade mark. Following examination, the application proceeded to publication in the *Trade Marks Journal* on 23 October 2009, for the following specification in class 25:

Clothing and apparel for men, women, young adults, children and infants, namely shirts, embroidered shirts, tee shirts, shorts, sport shirts, sweatshirts, sweatpants, socks, vests, belts, loungewear, sleepwear, undergarments, underpants, undershirts, bathrobes, underwear, swimsuits, beach cover-ups, warm-up suits, jackets, jerseys, tank tops, sweaters, pants, jeans, vests, suits, sport coats, coats, head bands, overcoats, rain coats, top coats, jackets, parkas, ties, bow ties, neckwear, vests, scarves, bandannas, pyjamas, night shirts, suspenders, gloves, headwear, hats, baseball caps, embroidered caps, knitted hats, footwear, shoes, slippers, boots, sandals, sneakers, body suits, jumpsuits; clothing for women and young adults, namely, brassieres, bustiers, camisoles, chemises, corselets, corsets, foundation garments, dressing gowns, duster coats, garter belts, girdles, housecoats, lingerie, negligees, night gowns, night shirts, pyjamas, peignoirs, robes, teddies, panties, blouses dresses, skirts, tops, scarves, sarongs, halter tops, hosiery, jumpers, shawls, stoles, scarves, shrugs, boleros, and wraps; infantwear.

2. On 22 January 2010, Jan Suchanek filed notice of opposition to the trade mark application. The opposition is directed at the complete list of goods. Mr Suchanek claims that registration of the mark would be contrary to section 5(4)(a) of the Trade Marks Act 1994 ("the Act") because he first used the following sign in the UK in June 2009:

NO:1D G A L L E R Y

Mr Suchanek claims that his sign is a "trade mark for a gallery space" and also for screen printing on garments, pictures and canvas. He states that "[t]he gallery has been selling t-shirts with said text as a side business, while text and our graphic representation have been used as a shop mark and on advertising of the gallery since June 2009". In answer to the question on the opposition form (TM7) "When and where was the earlier right first used in the UK?", Mr Suchanek gives the answer as "June 2009". Mr Suchanek also claims that the applicant's text and typeface are identical to the sign the gallery had been using "for a considerable period of time" prior to the date of application. Mr Suchanek refers to 'bad faith' under this ground, although there is no ground under section 3(6) of the Act pleaded. The section 5(4)(a) claim also states that the mark is a violation of Mr Suchanek's copyright; I note that the ground originally brought under section 5(4)(b) of the Act was struck out following a failure to respond to a request by the Intellectual Property Office for the ground to be particularised.

4. The applicant filed a counterstatement. It states that the marks/signs "on face value" are very different; Mr Suchanek's contains the word 'gallery', whilst its own does not; the font and graphics are not the same and the application has an outline around it (this, presumably, refers to the word element NO:ID). The applicant states it registered the mark in good faith and that "if in any remote way the mark applied for is similar to the mark referred to by the opposition then this is by mere coincidence and not an intentional copy". The applicant refers to the statement by Mr Suchanek that he had been using the mark since June 2009 but also that he states he had been using it "for a considerable period of time" before the applicant states that the phrase "No ID" is a commonly used phrase and has been 'topical' for some time; the applicant states that Mr Suchanek cannot claim to have coined the phrase.

5. Only Mr Suchanek filed evidence. The parties were advised that they had a right to a hearing and that if neither side requested a hearing then a decision would be made from the papers and from any written submissions. Neither side requested a hearing and neither filed written submissions. Both confirmed they wished for a decision to be made on the papers filed.

Evidence

6. Mr Suchanek's evidence takes the form of four witness statements. These are from Kashim Abdul, Amandeep Dhanoa, Arran Bolders and Pauline Hall. There is no evidence from Mr Suchanek himself.

7. Kashim Abdul's witness statement is dated 23 September 2010. Mr Abdul is the Managing Director and Chief Executive of Café Fresh, a position he has held since 1997. The relationship between him/ Café Fresh and Mr Suchanek is explained in paragraph 5 of his statement, where Mr Abdul states that he rents out premises in 31 Commercial Road, London E1 1LG to Jan Suchanek, from where the latter is running an art gallery and has been selling garments branded 'NO:ID' since 2009. In paragraph 2 he states that Mr Suchanek first used the mark NO:ID in 2004 in the UK. Mr Abdul states that the mark has been used on t-shirts, hoodies, high-vis vests, "etc"; gallery services and cultural activities. He refers to three exhibits numbered JS1, JS2 and JS3; however, these have not been filed. The covering letter from Mr Suchanek, dated 30 September 2010, which accompanied the witness statements states that there are six pages in the evidence in total. These six pages are accounted for in this summary: the pagination starts on page 2 and ends on page 7. Mr Abdul's complete statement forms page 2. There is no page 1. Exhibits JS1-3 were not filed as part of this evidence. The non-existent exhibits JS1-3 are said to be a t-shirt displaying a face wearing a mask and the letters NO:ID; a flyer for an exhibition showing a face wearing a mask and the letters NO:ID and advertisements; and a photograph of a t-shirt with the letters NO:ID which is said to be on display on the website NOIDGALLERY.NET, the only product for sale on-line on this website.

8. Amandeep Dhanoa's witness statement is dated 29 September 2009. His evidence comprises pages 3 and 4 of the evidence. Mr Dhanoa is the managing director of Dallas Wear Ltd, a position he has held for five years. He states that the trade mark NO:ID was first used in the UK in 2007 by Jan Suchanek as the sole trader behind the NO:ID gallery. He states that the mark has been used on garments, t-shirts, hoodies, high-vis vests "etc", gallery services and cultural services in all parts of the UK. He also refers to the same non-existent exhibits JS1-3 as Mr Abdul does in his witness statement. Mr Dhanoa states that sales of clothing goods were as follows:

2007	£500.00 (approx)
2008	£850.00 (approx)
2009	£700.00 (approx)

He states that advertising spend on the goods and services for these years was £100 per annum via "Trader Magazine" and "Trade Show", and by means of advertisements on the website dallaswear.com, in Mr Dhanoa's catalogue and by attendance at the annual Moda Menswear (Birmingham) and Off Price Show (London) (there are no exhibits in relation to his statement). Mr Dhanoa does not give an explanation as to his relationship to Mr Suchanek.

9. Arran Bolders' witness statement is dated 22 September 2010. His evidence comprises pages 5 and 6 of the evidence. Mr Bolders is a self-employed artist and

teaching assistant, resident in London. He states that the trade mark NO:ID was first used in the UK in 2005 by Jan Suchanek. Like Messrs Abdul and Dhanoa, he refers to the use being on garments, t-shirts, hoodies, high-vis vests "etc", gallery services and cultural activities and also refers to the non-existent exhibits JS1-3. Mr Bolders says that he was photographed in 2008 wearing t-shirts depicting "NO:ID" in bold letters: a photograph is attached to Mr Bolders' witness statement showing a man wearing a t-shirt with NO:ID printed in large letters. The man is holding a piece of paper on which is handwritten "07.09.10 JAN PRINTED THIS T-SHIRT WITH HIS LOGO 21/2 YEARS AGO! SIGNED ARRAN BOLDERS". Mr Bolders states that NO:ID has been displayed outside the gallery and used as a trade mark for the gallery services. He states that Mr Suchanek has been trading not only in gallery services and cultural activities but has also been providing printing services on garments and "ready produced" garments bearing the NO:ID logo since at least 2008.

10. Pauline Hall's witness statement is dated 23 September 2010. It comprises page 7 of the evidence. Ms Hall is a freelance artist and illustrator, resident in She states that the facts come from her personal knowledge and London. involvement with the NO:ID gallery, which she first encountered in February 2008 at a meeting with Mr Suchanek. She states that there were T-shirts printed with designs by Jan Suchanek on sale in the gallery/shop and refers to the non-existent exhibit JS1 and the design thereon. She states that since then she has seen the design (Mr Abdul refers to JS1 as showing a mask and the letters NO:ID) appearing frequently and regularly on flyers, banners and email and website postings promoting events for and in association with the NO:ID gallery as well as on T-shirts and "other merchandise", which are referred to as "Ex. 2,3,4,5" but which have not been included in the evidence. Ms Hall states that, in June 2009, she assisted the NO:ID gallery curator and manager, Steve Mallaghan, with some design work for a new logo and typography for the new gallery (it moved premises). She states that the original lettering from the NO:ID design was changed from the font 'Army/Stencil' to a tweaking of the 'Charcoal' template (Ms Hall refers to non-existent "ex 7,8"). Ms Hall states that she had an exhibition in the gallery in June 2009 and that, between 17 and 21 June 2009, she sold t-shirts in the gallery with the "original design (ex. 1JS...)" for £10 each.

Decision

11. Section 5(4)(a) of the Act states:

"4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented—

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

12. The principles of the law of passing-off were summarised by Lord Oliver in *Reckitt & Colman Products Ltd v. Borden Inc* [1990] RPC 341 at page 406:

"The law of passing off can be summarised in one short general proposition-no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. ... Thirdly he must demonstrate that he suffers, or in a quia timet action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."

13. For the benefit of both parties, neither of whom have professional representation, the law of passing-off protects not the name itself but the property in the business or goodwill that it is likely to be injured by a relevant misrepresentation. It is not, therefore, a question about the proprietorship of the name. In terms of the relevant misrepresentation, this relates to the deception of a substantial number of persons (see the findings of the Court of Appeal in *Neutrogena Corporation and Ant. V. Golden Limited and Anr.* [1996] R.P.C. 473). In relation to damage, it is also useful to consider the comments of Lord Fraser in *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31 where he stated that the claimant must prove:

"That he has suffered, or is really likely to suffer, substantial damage to his property in the goodwill by reason of the defendants selling goods which are falsely described by the trade name to which the goodwill attaches."

14. It is necessary to determine the material date in relation to the claim of passingoff. Section 5(4)(a) is derived from article 4(4)(b) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks, which states:

"rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark."

The date on which the application was filed was 24 September 2009. As the applicant has filed no evidence that it was using the mark prior to the application date, it is unnecessary to assess the position at any earlier date to see if the applicant could establish a senior user status, or that there has been common law acquiescence or that the status quo should not be disturbed as the parties have a concurrent goodwill. (See, for instance: *Croom's Trade Mark Application* [2005] R.P.C. 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] R.P.C. 42.). Mr Suchanek must therefore establish that, as of 24 September 2009 ('the material

date'), he possessed a goodwill in the UK and that, at the material date, the use of the applicant's mark would constitute a misrepresentation which would cause damage to that goodwill (as no use of the application has been shown, this is a notional test).

<u>Goodwill</u>

15. It is for Mr Suchanek to prove that he has a goodwill which is associated with the sign:



16. A useful definition of goodwill was given in *Inland Revenue Commissioners v Muller & Co's Margerine Ltd* [1901] AC 217 at 223:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start."

The law of passing off does not protect goodwill of only a trivial extent. In *Hart v Relentless Records* [2002] EWHC 1984 Jacob J stated:

"62 In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by <u>s.2(2) of the Trade Marks Act 1994</u>. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see *per* Upjohn L.J. in <u>BALI Trade Mark [1969] R.P.C. 472</u>. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used "but had not acquired any significant reputation" (the trial judge's finding). Again that shows one is looking for more than a minimal reputation."

Although a trivial goodwill will not be protected, protection under the law of passingoff is not confined to large businesses¹, or to those with longevity of trade²; each case is fact dependant. Whether Mr Suchanek has the necessary goodwill has to be deduced from the evidence he has filed. There is no magic evidential formula by which goodwill is established³. As per the decision of Professor Ruth Annand, sitting as the appointed person in *Loaded Trade Mark*, O/191/02, although criticisms can be made of individual items of evidence, the tribunal must stand back and take a collective view of the evidence before it. In *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat), Floyd J built upon Pumfrey J's observations (in *Reef Trade Mark* [2002] RPC 19):

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

17. Mr Suchanek faces difficulty in establishing goodwill owing to the nature of the evidence he has filed. It is brief and there are no statements from Mr Suchanek himself. The statements from the four witnesses as to how they know of the use of the sign have not been supported by any documentation; nor are there clear explanations as to the nature of the business they claim to know. There are references to non-existent exhibits which appear to refer to signs other than that relied upon by Mr Suchanek. There appears to be confusion over the date of first use, which Mr Suchanek states in his opposition as being June 2009 (three months before the material date). He adds to the confusion by also referring to use for "a considerable period of time" before the material date. Mr Abdul states the date of first use to be 2004, but does not support this statement with any documentation or narrative explanation. Mr Dhanoa refers to it as 2007, and gives, at least, some supporting sales figures but no example of the sign in use or how it was used (or how he knows of such figures). Mr Bolders refers to the date of first use as 2005, without any supporting documentation or narrative explanation. Ms Hall refers to the date as being 2008, which is when she first became aware of it through a meeting with Mr Suchanek. She states that she sold T-shirts in June 2009 (the date referred to by Mr Suchanek) for £10 each. Mr Dhanoa refers to the sales figures for that year on clothing as being £700. If the entire sales for 2009 were on t-shirts, this would only equate to 70 t-shirts being sold. There is no explanation from Mr Dhanoa as to

¹ The headnotes in *Stacey v. 2020 Communications Plc* [1991] F.S.R. 49, describe the plaintiff as having built up a "small but worthwhile business with a turnover of about $\pounds140,000$ " in the telecommunications business (the case then went to a full trial).

² Stannard v Reay [1967] F.S.R. 140, where the three week-old business was a mobile fish and chip van, of which there appeared to be only one in operation at commencement of trading in the locality of the Isle of Wight.

³ See to that effect *Reef Trade Mark* [2002] RPC 19, Pumfrey J; *Loaded Trade Mark*, O/191/02 (Appointed Person); and *Phones 4u Ltd v Phone4u.co.uk.Internet Ltd* [2007] RPC 5, Jacob LJ.

his involvement in the business of Mr Suchanek; he refers to advertising in his catalogue, so perhaps the assumption is that his own business, Dallas Wear Limited, has advertised/sold Mr Suchanek's clothing. There is, however, no explanation as to any of this and no documentation, such as invoices or copies of advertisements or correspondence between his company and Mr Suchanek to fill in the gaps between his assertions. The only photographic evidence is from Mr Bolders who refers to photographs of him in 2008 wearing Mr Suchanek's t-shirts, but who has exhibited a photograph dated 7 April 2010, which is after the relevant date.

18. There is confusion in the evidence as to the sign that has been used; Ms Hall's evidence suggests it changed in June 2009 but there is no evidence as to what the first incarnation (in "Army/Stencil") looked like. The only goods mentioned are t-shirts. Mr Suchanek refers to t-shirts as a side business of the gallery; a question exists therefore as to whether, even if it could be assumed that there is a goodwill in the gallery business (there is no real evidence about this), there is a goodwill for t-shirts. Mr Suchanek cannot rely upon the gallery business *per se* as there is no evidence to establish goodwill. There is the further problem that the date Mr Suchanek gives, June 2009, is only three months prior to the material date. The evidence should have been cogent and given full and thorough explanations as to why this short period was sufficient to have generated the necessary goodwill. The sales figures and Ms Hall's evidence, viewed together, suggest a tiny amount of sales in a market such as t-shirts/clothing. Further, there is no explanation as to the discrepancies in the witnesses' statements regarding dates of first use compared to Mr Suchanek's statement of the date of first use.

19. I have stood back and taken a collective view of the evidence before me, but there are many deficiencies, inconsistencies and unexplained circumstances in what is a collection of unsupported statements. Mr Suchanek has not provided evidence himself to tie anything together. Goodwill relates to a business with custom. It relates to the attractive force which brings in that custom. In the basis of the evidence filed it is not possible to find that Mr Suchanek had a goodwill of more than a trivial nature at the relevant date.

Conclusion

20. In all the circumstances, Mr Suchanek has not substantiated the claim that he had the necessary goodwill in a business conducted under the sign at the material date. Without a goodwill there can be no misrepresentation or damage. The opposition therefore fails.

Costs

21. The applicant has been successful and is entitled to a contribution towards its costs. It is the registrar's practice to award costs to litigants-in-person at half the rate that he awards them where a party has had legal representation. I award costs on the following basis⁴:

⁴ As per the scale in Tribunal Practice Notice 4/2007.

Total: £40)0
Considering the other side's evidence: £20)0
Considering the other side's statement and preparing a counterstatement: £20)0

22. I order Jan Suchanek to pay Repiblic London Ltd the sum of £400. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 16 day of May 2011

Judi Pike For the Registrar, the Comptroller-General