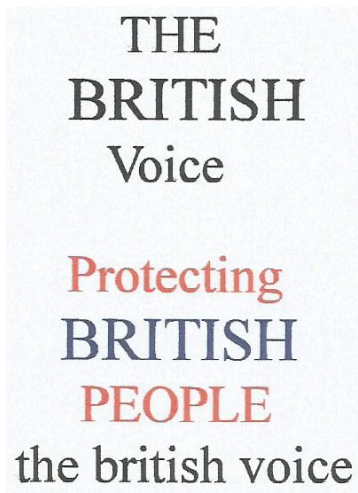


O-367-19

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION Nos. 3138366 & 3137873
WHICH STAND IN THE NAMES OF
MR MARTIN VAUGHAN & LADY DOROTHY BROOK
FOR THE FOLLOWING TRADE MARKS:**



AND

**APPLICATIONS FOR INVALIDATION (Nos. 501289 & 501290) BY
MR MICHAEL WHITBY**

Background

1. The trade marks the subject of these proceedings relate, essentially, to the names and logos of a fledgling political party. Both marks were filed on 29 November 2015 and registered on 26 February 2016. There is no dispute that the applicant for invalidation, and the two recorded owners of the trade marks, are/were members of that political party. What is in dispute is whether the applicant for invalidation, Mr Whitby, would have been entitled to prevent the use of the marks by the two recorded owners under the common law tort of passing-off.

2. The law of passing-off is relevant to invalidation proceedings because: i) the provisions of section 47(2)(b) of the Trade Marks Act 1994 (“the Act”) provide that a trade mark registered may be invalidated if it was registered in breach of section 5(4)(a), and ii) section 5(4)(a) provides that a trade mark should be refused if its use in the UK would have been liable to be prevented:

“...by virtue of any rule of law (in particular the law of passing off)...”.

Mr Whitby relies on these provisions.

3. At various points in his evidence, and also at a hearing before me mentioned below, Mr Whitby referred to the conduct of the recorded owners as being in bad faith. However, an allegation that a trade mark was registered in bad faith represents a claim under section 3(6) of the Act, a claim never pleaded by Mr Whitby in his statement of case.

4. This is the second substantive decision of this Tribunal. The first¹ was appealed by Mr Whitby to the Appointed Person, who held² that the first decision was erroneous and that the proceedings should be remitted back to the Tribunal for consideration by a different hearing officer. The identified error stemmed from a finding of the hearing officer that Mr Whitby was not the proprietor of the unregistered mark he relied upon,

¹ BL O-408-18

² BL O-817-18

and, therefore, his claim should fail. Whilst the Appointed Person agreed that the status of a claimant (whether they are the proprietor of the unregistered mark relied upon) was a relevant consideration (see paragraph 9 of the Appointed Person's decision³), the hearing officer was nevertheless found to have erred, as explained by the Appointed Person in paragraphs 19-30 of her decision:

“19. It seems to me that the Hearing Officer was wrong to take the approach and make the findings that she did in relation to the applications for invalidity that were before her. There are two reasons for this.

20. First, it seems to me that the Hearing Officer in taking the view that she did was unfair to the Applicant having regard to the circumstances in which the decision was made. The question of the Applicant's ability to bring the invalidity proceedings does not appear to have been explicitly raised by the Registered Proprietors (as distinct from whether the grounds of invalidity themselves were meritorious) and therefore it seems to me that the Hearing Officer should have provided the Applicant, being a person adversely affected by her decision, with an opportunity to make representations on the issue either before the decision was taken or after it was taken with a view to producing a modification of it. This is a well established principle c.f. *Merck KGaA v. Merck Sharp & Dohme Corp* [2017] EWCA Civ 1834 at [305].

21. That this is the correct position in the context of proceedings before the Registrar is confirmed in Rule 63(1) of the Trade Mark Rules 2008 which states as follows *‘Without prejudice to any provisions of the Act or these Rules requiring the registrar to hear any party to proceedings under the Act or these Rules, or to give such party an opportunity to be heard, the registrar shall, before taking any decision in any matter under the Act or these Rules which is*

³ “At paragraphs 10 and 11 of her Decision the Hearing Officer quite correctly identified that whilst section 47(3) of the 1994 Act states that *‘An application for a declaration can be made by any person’* this provision was qualified by section 5(4) of the 1994 Act and Regulation 5 of the Trade Marks (Relative Grounds) Order 2007 to make clear that applications under the provisions of section 47(2) (b) of the 1994 Act must be made by the proprietor of the earlier rights relied upon.”

or may be adverse any party to any proceedings, give that party an opportunity to be heard'.

22. It therefore seems to me that the Hearing Officer should not have simply made the Decision on the basis which she did without providing the parties with an opportunity to be heard with regard to the capacity in which the Applicant was purporting to speak for and act for the Organisation in the present proceedings c.f. the approach adopted by Geoffrey Hobbs QC in *Telugu Nri Forum Corporation (O-210-18)* in particular at [30] to [34].

23. Secondly, it seems to me that the Hearing Officer should not have made the findings that she did with regard to the capacity in which the Applicant was acting. In doing so it seems to me that the Hearing Officer did not fully and properly address the issue from the correct perspective and failed to have proper regard to the evidence that was before her.

24. In reaching the decision that she did the Hearing Officer focussed on the issue of whether the Applicant was the proprietor of the relevant rights in his personal capacity. In doing so the Hearing Officer failed or failed properly to consider the Applicant's position in his capacity as a member of the Organisation and/or as a member duly authorised to 'represent' all the members of the Organisation.

25. In particular what the Hearing Officer did not turn her mind to was whether the Applicant as a member of the Organisation and/or as a member duly authorised to 'represent' all the members of the Organisation would have had a sufficient basis for bringing the invalidity proceedings given that:

(1)The capacity of members of political parties and/or interest/pressure groups to bring proceedings for passing off on behalf of the relevant organisation has been recognised in the Courts see for example *Kean v. McGivan* [1982] FSR 119; and *Burge v. Haycock* [2001] EWCA Civ 900; [2002] RPC 28. Likewise, individual members of political parties have been sued for passing off in their capacity as the representative of

a political party see for example *Unilever v. Griffin* [2010] EWHC 899 (Ch); [2010] FSR 33; and/or

(2)The Applicant as a member of the Organisation could be regarded as a person who is entitled alone or with others to a proprietary interest in the goodwill to which the earlier rights relate c.f. the decision of Geoffrey Hobbs QC in *Williams and Williams v. Canaries Seaschool SLU* (O-174-10) [2010] RPC 32 at [26] to [29] and *Telugu Nri Forum Corporation* (above).

26. I also cannot agree with the finding of the Hearing Officer that there was *no* evidence before her that the Applicant was acting '*on behalf of*' the Organisation.

27. The position being put forward by the Applicant was summarised in paragraph 1 of the Applicant's first witness statement which states as follows (emphasis added):

I, Michael Whitby of [address] am the Chairman and leaser of THE BRITISH VOICE. I have been elected to this position on three separate occasions and I have held this position on three separate occasions and I have held this position since November 2014. Nobody else has ever been elected to this position within THE BRITISH VOICE. The facts in this statement come from my personal knowledge and the records of our organisation, which I created, and **I am duly authorised to speak on behalf of our organisation** in the prosecution of this application.

28. That this was the capacity in which the Applicant was purporting to act is also set out in parts of the pleaded case filed by the Applicant; his witness statements; and reflected in some of the other witness statements filed in support of the application for invalidity.

29. None of the evidence and/or submissions put forward by the Applicant in support of this position were identified by the Hearing Officer in her decision

(rather she held there was none). Instead the Hearing Officer only referred to one document headed '*THE BRITISH VOICE – Constitution*' which was said by the Hearing Officer to point to the contrary position.

30. In all the circumstances, it seems to me that the Hearing Officer's approach to the Applicant's capacity to bring forward the applications for invalidity was flawed."

5. The points made by the Appointed Person are firmly kept in mind when I reach my decision.

6. Both sides have filed evidence to which I will return later. There is a lot of evidence, particularly from Mr Whitby. I will only summarise and refer to the evidence to the extent that it is necessary to determine the matters before me, but, for the record, I have read it all. A hearing took place before me on 26 April 2019. Mr Whitby represented himself (albeit, he was supported by a colleague). The recorded owners chose not to attend.

The origins of the party

7. In a joint witness statement from the recorded owners, it is stated that "upon creation of our party by Mr Vaughan" he found a picture of a phoenix on a tattoo website, which was then re-designed to fit the needs of the party. A company called websitesandprint.com were engaged to create a logo and a website. A "to whom it may concern" letter is provided from a Mr Gavin Jackson (the owner of websitesandprint.com) confirming this. Mr Jackson also confirms that it was Mr Vaughan with whom he dealt. The initial approach to websitesandprint.com was in October 2014, the logo design was completed in December 2014 and the website completed in March 2015.

8. Mr Whitby's evidence is much fuller in terms of the origins of the party. He explains that most of the members of The British Voice party were previous member of the BNP. For reasons that I do not need to detail, a number of BNP members left to form a new organisation, and, in August and September 2014, meetings took place in

relation to the new organisation, which included discussions about its name. He says that initially they had been using the name “British Voice” “Protecting BRITISH people”, and that after voting they chose to stick with that name. He states that he chose the name in August 2014. However, he also suggested to the group that they add the definite article to become The British Voice, as a point of distinction from other organisations (a singing context, a school and a newspaper).

9. Mr Whitby states that on 15 October 2014, an email was sent to hundreds of people containing a document which set out various ideas for the new organisation (TBV2 A-K). He says that the ideas were his. The email is signed off by him. The document makes reference to “The British Voice” and the words “Protecting British People”. The logo used at that time was based on loud hailers as opposed to a phoenix. One of the responses to this email came from Mr Vaughan who, whilst making two points about the content, nevertheless described it as “a work of art”.

10. The next event is described by Mr Whitby as a branding meeting, which took place on 27 October 2014. He says this was arranged because various people, in different parts of the UK, had started to develop groups in their area. The minutes of the meeting show that around 30 people attended, including all 3 protagonists. One issue agreed upon was to keep the name of the organisation/party as The British Voice. Mr Whitby states that he was asked to lead the group until regional officers could be elected, who could then choose a leader from those regional officers.

11. The inaugural conference of The British Voice took place on 20 November 2014. As part of this, various ideas for a new logo were put forward. A phoenix design was chosen, which Mr Whitby states was put forward by Mr Alec Garner from the East Midlands region. Mr Whitby adds that the recorded owners made no suggestions for a logo. Copies of presentations made at the conference are provided. Mr Whitby also provides a number of other documents, including the first membership application form (dated 1 November 2014). The contact details on this are for Mr Whitby’s former home address and features the original loud hailer logo. He also provides a design for a banner produced in January 2015 which contained the party’s PO Box address rather than the address of Mr Whitby.

12. An application was made to the electoral commission on 19 December 2014 to register the name of the party and its accompanying slogans/logos. Mr Whitby was registered as Leader/Treasurer, Mr Vaughan as nominating officer. The registration was confirmed by the Electoral Commission on 4 March 2015.

The initial falling out between the parties

13. From Mr Whitby's evidence, it is clear that the initial falling out between the parties stems from the work conducted by websitesandprint.com. To cut a long story short, Mr Vaughan (as per his evidence) had engaged that company to produce a logo and website, although Mr Whitby says that most of the work was connected to the website. Disagreements arose because Mr Vaughan paid the company the full outstanding payment for their services despite the work (according to Mr Whitby) being unacceptable and despite Mr Whitby stating that payment should not be made without approval. It is clear from various emails provided in evidence that Mr Whitby was very unhappy about this, describing it as a misappropriation of members' funds. The recorded owners say little about this aspect of the falling out. It is not entirely clear why Lady Brook became embroiled in all this, but from the context of the evidence as whole, she clearly had a close working relationship with Mr Vaughan in relation to the activities of the party.

Spring conference 2015

14. Mr Whitby states that in "an attempt to build bridges", he suggested that the recorded owners arrange the party's spring conference. This subsequently took place on 30 May 2015. He states that its organisation was poor, not following typical protocol with regard to agenda items and guest lists. He states that his request to address the conference to discuss the election of officers was initially refused, even though he was the current chairman. However, he was subsequently allowed to speak and, when he did do so, and after calling for members to stand as officers, the only person to stand was him and that he was then "overwhelming" elected to remain as Chairman. At this conference, Mr Whitby also arranged for a table of The British Voice merchandise to be displayed.

Mr Vaughan's resignation as an officer

15. Mr Whitby explains that on 17 June 2015 Mr Vaughan wrote to the Electoral Commission resigning his position as nominating officer. This was done without notice and left the organisation in a difficult position. Eventually, a colleague, Mr David Leese, took up that role.

16. The recorded owners say that Mr Vaughan resigned his position because of the conduct of Mr Whitby, following which Mr Whitby took it upon himself to take over the party, despite a no confidence vote in his leadership. The recorded owners provide a number of pieces of evidence in relation to Mr Whitby's conduct including that: (i) Mr Whitby was arrested in 2012 on suspicion of electoral fraud whilst standing as a BNP candidate for Mayor of Liverpool, (ii) that in 2013 Mr Whitby was banned from holding public office for 2 years as a community councillor or any other relevant position within the meaning of the Local Government Act 2000, and (iii) that in 2013 he had been found guilty of racially abusing a traffic warden.

The expulsion from the party of the recorded owners

17. Mr Whitby states that the recorded owners were expelled from the party. His evidence in relation to this stems from a series of letters he wrote to them, as follows:

- 19 June 2015: A six-page letter outlining various concerns including the issue with websitesandprint.com, their conduct at the Spring conference, anti-party behaviour (trying to arrange an alliance against Mr Whitby) and damage to public vote documents. The letter concludes by asking whether the recorded owners are "with or against the party" and that they should reply within 30 days and, if they decide to stay, they will be required to answer to the members for their actions.
- 20 July 2015: Another letter was sent reminding them of the above (although this is not provided in evidence), which, according to a further letter of 5 August

(see below), explained that unless information/evidence was provided in response to the earlier allegations they would face automatic expulsion.

- 27 July 2015 – A two-page letter highlighting that as neither recorded owner now holds a position within the party, they must return any property belonging to the party including any funds, minutes of conferences etc.
- 5 August 2015 – this states that as no response had been made to the allegations “YOU ARE NOW EXPELLED FROM THE BRITISH VOICE”.

Vote of no-confidence in Mr Whitby

18. The recorded owners have produced what they describe as a vote of no confidence document, signed by around 15 people on 9 July 2015. The signatures include those of the recorded owners. It begins “The undersigned wish to instil a vote of no confidence in The British Voice party chairman...”. The reasons given are based on evidence shown to the members and the Chairman’s inability to move the party forward. Mr Whitby’s evidence says little about this, although at the hearing he submitted, essentially, that it was not worth the paper it was written on.

19. I also note that the recorded owners sent Mr Whitby a letter on 4 May 2016 (a number of months after the relevant date), which begins:

“This is a binding notice, to inform you and any of your associates, that The British Voice, group, from the North East, and any other areas, no longer have any binding ties, with you or your group, The British Voice is now totally independent and privately owned.”

20. Reference is made in the above letter to the vote of no confidence from the “North East Members”.

PO box addresses, domain names, Facebook pages etc

21. Both sides have made frequent mention of such things in their evidence and that they have either been stolen, held on to inappropriately, or copied from. I do not consider it necessary to discuss this in detail. All of the claims are symptomatic of the fact that at one point in time both sides were involved in setting up the party and they have held onto the things that they were more directly involved in setting up.

Evidence from other people/members

22. The recorded owners have provided a number of “to whom it may concern” letters. As the information is not in evidential form (a witness statement, affidavit or statutory declaration) their weight is lessened. However, I am prepared to give some weight in my considerations as I doubt that the evidence was provided in this way simply to immunise the letter writers from cross-examination. Briefly, the letters comprise the following:

- A letter from Mr Nigel Brooke. He is a member of The British Voice in Tyne & Wear. He records the early meetings with those who left the BNP. He explains that at first it was agreed that Mr Whitby would become temporary treasurer and Mr Vaughan elections officer. There was a subsequent meeting which he says went well and at which the recorded owners provided a buffet. He refers to the good work undertaken by the recorded owners for the homeless and ex-military personnel. He refers to Mr Whitby then blackening their names. He says the party and the logos belong to them.
- A letter from Ms Jennifer Lovel, also in Tyne & Wear. She does not say if she is a member, but it is fair to assume that she is, or at least was. She did not attend the first meeting, but attended a second meeting in November 2014. She says that at this meeting the Tyneside group expressed their delight with the outcome of the previous meeting. She says the meetings were to discuss a new political party, something that the recorded owners had been discussing for months. She clearly sees the recorded owners in a good light, referring to

their honesty and their charitable work. She says that the true owners of the party are the recorded owners. She says it would be disastrous if they cannot continue using the name.

- A letter from Mr Terry Corby, from North Shields, Tyne and Wear. He says the logo and name belong to the recorded owners. He says he has attended many meetings at the North and South Tyneside branch hosted by the recorded owners. Whilst not a member at the time, he says he attended the meeting in November 2014 held at the Cyprus Hotel, South Shields at which Mr Vaughan had a phoenix (tattoo) drawing he had found on the Internet.
- A letter from Karl Ligeti, also from North Shields. He was also at the meeting in November at the Cyprus Hotel and also says that Mr Vaughan brought along a phoenix logo from a tattoo website, which he says was popular. He stresses that the idea of the political party was that of the recorded owners and that they should be given The British Voice trade marks.

23. Mr Whitby provided a number of supporting witness statements, as follows:

- A statement from Susan Whitby (Mr Whitby's wife), a member and donor who says has been involved since the inauguration of the party. She states that Mr Whitby created virtually every word and image for The British Voice and attests to the hours he has spent doing so. She refers to Mr Vaughan being a thorn in the side, doing little, but believing he could run things. She highlights, though, that he (Mr Vaughan) was not elected as Chairman. She states that the recorded owners kept funds collected at conference.
- A statement from Mr Barry Longstaff, from Wigan. He does not say if he is a member of the party, but it is reasonable to infer that he is/was. He states that he was at the inaugural conference on 30 November 2014 at which Mr Whitby was elected as acting Chairman (he adds that Mr Whitby insisted on this being an acting role, so that more members could vote at the next conference). He also states that it was Mr Vaughan who nominated Mr Whitby. He states that at the inaugural conference the rising phoenix logo was chosen – he does not say

who put this forward. He also refers to the earlier branding meeting where the name The British Voice was chosen. He was also at the Spring conference in Blackpool and comments upon what he saw as its poor organisation. He confirms that Mr Whitby was appointed as the official Chairman of the party. He believes that the recorded owners misappropriated funds raised at this conference, but he says he cannot prove how. He also recounts the letters sent to the recorded owners leading to their expulsion from the party. He says that the members overwhelmingly decided upon the expulsion, but he does not say how this decision was reached.

- A statement from Mr Joseph Finnie, from Glasgow, a member of the party from day one. He states that he was there when Mr Whitby was first elected (and when the recorded owners voted for him) and that he (Mr Whitby) started The British Voice, with the current owners just agreeing to help. He says the recorded owners stole funds from the members.
- A statement from Paul Lloyd, from Ormskirk, Lancashire, who has been with the party from the outset. His evidence confirms virtually everything stated by Mr Whitby, including his initial election (as acting Chairman), the selection of Mr Garner's logo at the inaugural conference, his re-election at Spring conference, the initial falling out between the parties, the poor behaviour of the recorded owners at the spring conference, the acquisition of funds and the recorded owners' expulsion from the party following the wishes of the members.
- A statement from Mr Leslie Ingram, it is similar in nature to the above and confirms the same things.
- A statement from Mr Geoff Foreman, again it is similar in nature to the above and confirms the same things.
- A statement from Mr Peter Clayton, who describes himself as the North West regional organiser. He states that he organised the initial meetings of the party, including the inaugural conference in November 2014 in St Helens. His evidence confirms the adoption of the name in October 2014, the adoption of

the phoenix logo at the inaugural conference, and Mr Whitby's election as Chairman. He refers to the expulsion of the current owners in August 2015.

- A statement from William Kimmet, from Dorset, the current nominating officer for The British Voice. He was not a member at the start, but he was the Poole organiser of the group that the protagonists previously belonged to. He refers to Mr Vaughan threatening him with prosecution if he were to use the name The British Voice on Facebook. He says he contacted the Electoral Commission to ask if Mr Vaughan had anything to do with the party, they informed him he did not, with the only officials being himself and Mr Whitby.
- A statement from Mr Alwyn Deacon who runs a company producing mugs, t-shirts (etc) with logos on them. He states that he produced such items for the party and put them on his website. He also attended the spring conference and noted the hostility between the protagonists. He says that the recorded owners said to him that they tried to remove Mr Whitby as Chairman. He then recounts some of the fallings out over money and the right to use the logos.
- A statement from Mr Alec Garner, who describes himself as the administrator of The British Voice Facebook page and regional groups. Much of his evidence is about the conflicting Facebook pages and groups that use the name. I have read the evidence, but for the reasons set out in paragraph 21 above, I do not consider it necessary to comment further. I also note from his evidence that one of the North East members of the Facebook group for which the recorded owners are/were administrators, had some form of connection to the company websitesandprint.com.

Section 5(4)(a) of the Act – the law of passing-off

24. Section 5(4)(a) of the Act reads:

“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.”

25. It is settled law that for a successful finding under the law of passing-off, three factors must be present: i) goodwill, ii) misrepresentation and, iii) damage.

Goodwill

26. Goodwill was described in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), where the Court stated:

“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.”

27. The parties have focused large parts of their evidence on the origins of the party, the falling out, and various accusations and counter accusations. There has been less focus on the evidence of goodwill. Nevertheless, and irrespective of any question as to ownership, the evidence shows that by the time the marks were filed on 29 November 2015:

- The British Voice party had been founded (at the end 2014).
- It had also used the strapline PROTECTING BRITISH PEOPLE and the phoenix device as per the figurative registered mark.

- The party had been registered with the electoral commission.
- An inaugural conference took place in November 2014.
- A spring conference took place on 31 May 2015.
- It had produced merchandise which was displayed at the Spring conference, although there is no evidence of how much, if any, was sold.
- The party had a candidate in the council elections in Stoke-on Trent in May 2015.
- It had a Facebook and Internet presence.
- It had 62 members by January 2015.

28. There is no requirement under the law of passing-off for the signs associated with the goodwill to be house-hold names. However, the goodwill must be of more than a trivial level for it to be protected. In my view, by the time the trade marks were filed by the recorded owners, there was in existence a small, but non-trivial, goodwill, associated predominantly with the name THE BRITISH VOICE. The words PROTECTING BRITISH PEOPLE and the phoenix device, also formed part of the fabric of that goodwill. The goodwill is in the field of a political party and associated campaign activities.

Entitlement to rely on that goodwill

29. Putting aside, for the time being, who the claim is made against, I next turn to consider whether Mr Whitby was able to rely on that goodwill to prevent another individual(s), or other organisation(s) from using a sign which might otherwise deceive the public into believing that they are associated with the organisation owning that goodwill. In her decision, the Appointed Person stated the position of Mr Whitby must be considered in the following context:

“1)The capacity of members of political parties and/or interest/pressure groups to bring proceedings for passing off on behalf of the relevant organisation has been recognised in the Courts see for example *Kean v. McGivan* [1982] FSR 119; and *Burge v. Haycock* [2001] EWCA Civ 900; [2002] RPC 28. Likewise, individual members of political parties have been sued for passing off in their capacity as the representative of a political party see for example *Unilever v. Griffin* [2010] EWHC 899 (Ch); [2010] FSR 33; and/or

(2)The Applicant as a member of the Organisation could be regarded as a person who is entitled alone or with others to a proprietary interest in the goodwill to which the earlier rights relate c.f. the decision of Geoffrey Hobbs QC in *Williams and Williams v. Canaries Seaschool SLU* (O-174-10) [2010] RPC 32 at [26] to [29] and *Telugu Nri Forum Corporation* (above).”

30. Mr Whitby is a member of the party. There is no dispute about this. Mr Whitby also claims that he is the Chairman of the party, and that, essentially, it is in such capacity that he is authorised to speak/act. There can be no dispute that Mr Whitby was elected as Chairman (albeit acting Chairman) at the inaugural conference in November 2014. All of the evidence I have seen also supports that he was re-elected at the Spring conference in May 2015, irrespective of what else went on at that conference. The recorded owners highlight the vote of no-confidence, signed by what appears to be certain members from the North East branch in July 2015. Obviously, to instil a vote of no confidence in Mr Whitby as Chairman is indicative that they accepted that he was the current Chairman when they were signing that document.

31. In terms of the no confidence document itself, a number of members wishing to instil a vote of no confidence is a far cry from a constitutionally binding vote that would have had the force to oust Mr Whitby from his position. Given all this, I come to the view that when the trade marks were filed, Mr Whitby was indeed both a member and Chairman of the party. He was also recognised as party leader by the Electoral Commission. I therefore hold that Mr Whitby is able to rely on that goodwill, in the

capacity, as the Appointed Person put it: “as a member of the Organisation and/or as a member duly authorised to ‘represent’ all the members of the Organisation”.

The status of the current owners

32. If the trade marks at issue had been registered by an unconnected party, matters would have been fairly straightforward from here. This is because the marks are the same as, or very similar to, those used by the party and that at least some of the services clearly conflict - all of which would, quite obviously, have led to misrepresentation and damage. However, the question I now turn to is whether the fact that the recorded owners are/were also members should have any impact on matters.

33. I note that the recorded owners say that they registered the marks on behalf of the party. This is a difficult position to accept because neither appear to have any formal position within the party. Neither has stood or been elected as Chairman. Mr Vaughan was a nominating officer but resigned that position well before the trade marks were filed. There is reference to Lady Brooke being a membership secretary, but it is not clear if that is still the case. There is no record of them holding a position with the Electoral Commission. Certainly, on a national level, they have no responsibility. I note from the evidence of both sides that the recorded owners are part of the North East branch of the party. It was members from that area that signed the no-confidence document. However, whilst they seem to have been key organisers in that region, there is, again, little to show what formal positions they held. I also note that the recorded owners made no mention of holding the registration on trust for the party and its members when the applications were filed. They simply provided their own personal names and addresses.

34. The recorded owners also claim that it is they who really founded the party and it is they (or more accurately Mr Vaughan) who came up with the phoenix idea. Their supporters (from the North East) all say that the party belongs to them. This, in my view, is not borne out in the evidence as a whole. I accept that they played a role, but from all of the evidence I have seen, it was Mr Whitby who was the driving force and originator of ideas. In any event, little significance hinges on who came up with what,

and when. This is not a question about the originator of an idea, slogan or logo, but more about the establishment of goodwill through the use of the signs relied upon.

35. Mr Whitby's evidence also suggests that the recorded owners were expelled from the party. I have read all the letters that Mr Whitby sent. It is clear that he communicated this expulsion to the recorded owners. However, what I am less clear about is whether the Chairman had the power to do this of his own volition. One would have thought that some form of party rules would have existed to set out an expulsion mechanism and any rights to appeal. None have been presented, not even in the constitution document that has been provided in evidence. I note that some of those who gave evidence in support of Mr Whitby say that the expulsion was with the members' agreement – but I have not seen any direct evidence about how this agreement was reached. I note, though, that Mr Whitby states that in response to an email he sent to members setting out the recorded owners conduct, the response from the "vast majority" was to expel them.

36. However, whether the recorded owners were or were not legitimately expelled from the party is not in my view fatal to either sides' case. Even if they were still members, this would not entitle them to start filing trade marks and holding them on behalf of the party, unless they had permission from the party to do so.

37. What this all boils down to, and without getting into the warts and all, is that two of the original and involved members of the party have fallen out with the Chairman. They have attempted to oust him, but when they filed the marks they had not succeeded in this. In fact, they have never succeeded in this and have instead simply distanced themselves from him. They consider that they are the owners of the party and have filed the trade marks accordingly. However, irrespective of their role in the North East branch, this is not reflective of the reality. An organisation is there for the benefit of all its members. As things stand, Mr Whitby, whether the current owners like this or not, is the conduit and leader of those members. As such, I consider the role that the recorded owners have/had in the party is of no consequence and they should be treated no differently to an unconnected member of the public when it comes to considering passing-off.

Misrepresentation & damage

38. The relevant test for misrepresentation was dealt with in *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, where Morritt L.J. stated:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]”

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148 . The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175 ; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101.”

And later in the same judgment:

“... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993) . It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

39. In *Harrods Limited V Harrodian School Limited* [1996] RPC 697, Millett L.J. described the requirements for damage in passing-off cases like this:

“In the classic case of passing off, where the defendant represents his goods or business as the goods or business of the plaintiff, there is an obvious risk of damage to the plaintiff’s business by substitution. Customers and potential customers will be lost to the plaintiff if they transfer their custom to the defendant in the belief that they are dealing with the plaintiff. But this is not the only kind of damage which may be caused to the plaintiff’s goodwill by the deception of the public. Where the parties are not in competition with each other, the plaintiff’s reputation and goodwill may be damaged without any corresponding gain to the defendant. In the *Lego* case, for example, a customer who was dissatisfied with the defendant’s plastic irrigation equipment might be dissuaded from buying one of the plaintiff’s plastic toy construction kits for his children if he believed that it was made by the defendant. The danger in such a case is that the plaintiff loses control over his own reputation.

40. I have already commented earlier on the capacity for misrepresentation and damage to arise. The marks registered are the same as, or very similar to, the signs used by the party. Therefore, at least in terms of services connected with a political party there will inevitably be misrepresentation and damage. I note, though, that the specification applied for is very broad, including a range of goods and services which one might otherwise fail to connect with the activities of a political party. However, as was put in *Office Cleaning Services Limited v Westminster Window & General Cleaners Limited* [1946] RPC 39 (HOL) “(w)ho knows better than the trader the mysteries of his trade”. If the recorded owners saw merit in applying for all those things in circumstances where they were contemplating passing themselves off as the party, it follows that the finding should hold for the full extent of the application. The grounds for invalidation succeed in full.

Conclusion

41. Subject to appeal, the registration is hereby declared invalid and deemed never to have been made.

Final remarks

42. I note that Mr Whitby has made a number of points, in a number of letters (notably in an email he sent after the hearing before me), questioning why the IPO accepted the recorded owners' "fraudulent" trade marks in the first place. This is not a matter for the Tribunal, whose function is solely to adjudicate on the pleaded dispute. I will, though, ensure that Mr Whitby's points are brought to the attention of the relevant person in the IPO.

Costs

43. Mr Whitby has been successful and is, therefore, entitled to a contribution towards costs. Awards of costs in proceedings are dealt with from a published scale, however, in the case of litigants-in-person, the Tribunal asks for the completion of a cost-proforma to guard against awarding more than has actually been expended. Mr Whitby's breakdown comes to over £28k. This is significantly more than any scale costs and would represent what is termed "off-scale costs", which would normally only be considered to deal proportionately with wider breaches of rules, delaying tactics or other unreasonable behaviour.

44. In my view, there is no justification for off-scale costs in Mr Whitby's favour. Neither side has been particularly helpful in these proceedings, and both have resorted, at times, to inflammatory language and behaviour. Whilst I appreciate the emotion that goes into cases such as this, the conduct all-round should have been better. As such, Mr Whitby will receive no more than scale costs, and I will now consider his breakdown of costs and apportion what I consider to be reasonable, whilst also bearing in mind that this Tribunal operates on a contributory basis as opposed to a compensatory one.

45. The first element of costs is for filing a notice of invalidation and considering the counterstatements filed by the other party. Mr Whitby claims 520 hours. Notwithstanding Mr Whitby's position as a litigant-in-person, this is excessive. Even if he did spend that amount of time, he ought not to have done. I consider, for the amount of work involved, 10 hours is appropriate – this covers both cases as the claims were the same. Mr Whitby is, though, entitled to the full official fees of £200 for each case.

46. The next element is for filing evidence and considering the evidence of the other side. A claim of 200 hours is made here. I accept that Mr Whitby provided a large amount of quite detailed evidence. However, the claim, again, seems excessive. I award 30 hours here.

47. The next element relates to the preparation for a hearing, with 80 hours being claimed. The hearing before me took a couple of hours. Even with preparation, I will allow 10. Claim for travel is also made, with travelling time of 24 hours being claimed for both the hearing before me and the appeal hearing. I will allow 3 hours for the hearing before me (I return to the appeal shortly) plus £50 towards travel expenses.

48. In relation to costs associated with the appeal, the recorded owners played no part, and following remittance, played very little role. I do not think that they should be penalised for having initially succeeded, even if that is something upon which Mr Whitby has been able to overturn. Mr Whitby will need to bear his own costs for that matter. I agree, though, that Mr Whitby is entitled to the official fee for filing the appeal (£250).

49. In all, this comes to 53 hours, plus £650 in official fees, plus £50 travel expenses. In relation to the hours claimed, I note that The Litigants in Person (Costs and Expenses) Act 1975 (as amended) sets the minimum level of compensation for litigants in person in Court proceedings at £19.00 an hour. I see no reason to award anything other than this. All of this comes to:

Hourly rate (53 hours @ £19) = £1007

Official fees = £650

Other expenses = £50

Total = £1707

50. I order Mr Martin Vaughan & Lady Dorothy Brook, being jointly and severally liable, to pay Mr Michael Whitby the sum of £1707 within 21 days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated 1 July 2019

Oliver Morris

For the Registrar,

the Comptroller-General