

O/471/20

TRADE MARKS ACT 1994

**IN THE MATTER OF
TRADE MARK APPLICATION NO. 3391751
BY 28 TRADING LTD
TO REGISTER AS A TRADE MARK:**



IN CLASSES 9, 35 & 37

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 417025
BY K NYUK KENT**

BACKGROUND AND PLEADINGS

1. On 12 April 2019, 28 Trading Ltd (“the applicant”) applied to register the trade mark displayed on the cover page of this decision, under number 3391751 (“the application”). It was accepted and published in the Trade Marks Journal on 19 April 2019 for the following goods and services:

Class 9: Telecommunication equipment; replacement screens for mobile telephones; mobile phones; mobile telephone covers; batteries; chargers; headsets; ear phones and earbuds; telecommunications cables; cables; power connectors; SIM cards; encoded cards; external hard drives; downloadable publications; media content; recorded content; mobile and wireless communications devices; computer application software; memory devices; tablets; parts and fittings for the aforesaid goods.

Class 35: Advertising, marketing and sales promotions; online ordering services; retail services connected with the sale of telecommunication equipment, replacement screens for mobile telephones, mobile phones, mobile telephone covers, batteries, chargers, headsets, ear phones and earbuds, telecommunications cables, cables, power connectors, SIM cards, encoded cards, external hard drives, downloadable publications, media content, recorded content, mobile and wireless communications devices, computer application software, memory devices, tablets, parts and fittings for the aforesaid goods; consultancy, information and advisory services relating to all the aforesaid services.

Class 37: Repair and maintenance of mobile phones; mobile phone refurbishment services; mobile phone battery charging; consultancy, information and advisory services relating to all the aforesaid services.

2. On 18 July 2019, K Nyuk Kent (“the opponent”) filed a notice of opposition. The opposition is brought under Section 5(4)(a) of the Trade Marks Act 1994 (“the Act”)

and is directed against some of the goods in class 9 of the application, namely, *'mobile telephone covers; batteries; chargers; and mobile phone accessories'*.¹

3. The opponent relies upon its alleged earlier rights in a sign which is identical to the contested mark, and claims that the sign has been used throughout the UK since 2008 in respect of *'batteries for mobile phones, chargers and battery chargers for mobile phones, mobile phone cases and mobile phone accessories'*.² The opponent claims to have acquired goodwill under the sign and contends that use of the contested mark would, therefore, be a misrepresentation to the public. According to the opponent, this would result in damage to the aforementioned goodwill.

4. The applicant filed a counterstatement denying the ground of opposition and putting the opponent to proof of its claims.

5. The opponent has been represented throughout these proceedings by Shi Wei, while the applicant has been represented by Sanderana. Both sides filed evidence, which will be summarised to the extent that it is considered necessary. Both parties also filed written submissions; I do not intend to summarise the submissions but will refer to them throughout this decision, as and where appropriate. Neither party requested a hearing in this matter and, as such, this decision is taken following a careful perusal of the papers.

EVIDENCE

Opponent's evidence

6. The opponent's evidence consists of a witness statement dated 30 October 2019 of K Nyuk Kent, together with one exhibit.

¹ I note that the term *'mobile phone accessories'* is not included in the list of goods in class 9 of the application. The opponent has not detailed which goods of the application they consider this broad term to cover. However, as will become apparent, the opponent's lack of clarity on this particular part of the pleadings will have no impact on the outcome of the opposition.

² In its notice of opposition, Form TM7, the opponent claimed that the sign has been used throughout the UK since 2008. However, the opponent later submitted during the evidential rounds that, while the sign had been designed in 2007, it started trading under the sign in 2012.

7. The opponent explains that, in 2007, she decided to launch a range of mobile phone batteries and chargers. This was based on her view that there was a gap in the market for such products. With the aid of a product designer in China, the opponent says, a logo was designed for her product range and finalised on or around 18 June 2007. A representation of the finalised logo is evidenced.³

Applicant's evidence

8. The applicant's evidence consists of a witness statement dated 13 January 2020 of Ishaan Seth, together with Exhibits IS1 to IS5. Mr Seth is the sole Director of the applicant company. Information from Companies House has been evidenced, regarding the officers of the applicant company;⁴ although this confirms that the company has one officer, the name has been redacted.

9. Mr Seth argues that his evidence shows that the applicant is the owner of the 'Qwikfone' brand and that "it is inconceivable that the opponent is the owner".⁵ He explains that the company has sold products on its website www.qwikfone.com since 2017. He further explains that the website domain was purchased in January of that year. An undated print from the website www.WHOis.net is evidenced,⁶ which contains domain information for www.qwikfone.com; while there is nothing in the evidence connecting the domain to the applicant, it appears that the domain is live (with a registry expiry date of 9 January 2021). Mr Seth also indicates that the applicant has been offering products under the 'Qwikfone' brand on eBay since 2013, though there is no evidence to that effect.

10. According to Mr Seth, the contested mark was designed by himself, in collaboration with a freelance designer via the website www.upwork.com. Prints from [upwork.com](http://www.upwork.com) are evidenced.⁷ The prints demonstrate that a logo similar to the contested mark was uploaded on 24 May 2017, while the contested mark was uploaded on 19 November 2018, both by the same third party designer. An unnamed

³ Exhibit Annex 1

⁴ Exhibit IS1

⁵ Witness statement of Mr Seth, §9

⁶ Exhibit IS2

⁷ Exhibit IS3

party replied to the designer, stating “we are happy with this image...Please accept the contract so I can also pay”.

11. An undated print of Google search results for the term ‘qwikfone’ is also evidenced.⁸ Mr Seth asserts that all the hits connect the brand to the applicant company and that none mention the opponent. The evidence suggests that the ‘Qwikfone’ brand relates to the sale of refurbished smartphones and parts, as well as mobile phone repairs. The Google business information directory provides the applicant’s address as that of ‘Qwikfone’, though there is nothing in the evidence which directly ties the hits to the applicant.

12. Mr Seth provides the following turnover figures for the applicant company:

Year	Turnover (£)
2014	599,268
2015	2,579,124
2016	1,511,308
2017	1,906,196
2018	2,065,824
Total	8,661,720

13. Annual reports and unaudited accounts for the applicant company have been exhibited for the period 31 October 2014 to 31 October 2018.⁹ The evidence confirms the turnover figures as provided by Mr Seth and demonstrates that the principal activities of the applicant are the repair of mobile phones and the retail of iPhone accessories. In addition, Mr Seth explains that the applicant has spent in excess of £10,000 to advertise its brand, though no evidence to that effect has been provided.

14. That concludes my summary of the evidence insofar as I consider necessary.

⁸ Exhibit IS4

⁹ Exhibit IS5

DECISION

Section 5(4)(a): legislation and case law

15. Section 5(4)(a) of the Act reads as follows:

“(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, where the condition in subsection (4A) is met,

(aa)

(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.”

16. Subsection (4A) of Section 5 of the Act states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

17. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely

goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether "*a substantial number*" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

18. Halsbury's Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

Relevant date

19. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O/410/11, Mr Daniel Alexander QC, as the Appointed Person, endorsed the registrar’s assessment of the relevant date for the purposes of section 5(4)(a) of the Act, as follows:

“43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about,

and then to assess whether the position would have been any different at the later date when the application was made.’ ”

20. The applicant has claimed use of ‘Qwikfone’ for the contested goods since 2013. However, while the applicant has filed evidence in these proceedings, there is no evidence of use which supports this claim. The existence, and potential ownership, of a domain does not, in isolation, demonstrate that any goods or services have been offered via the website. In any event, the extract from WHOis.net does not show that the applicant is the owner of the domain. Moreover, the design history of the contested mark does not constitute use of the mark per se. Furthermore, while the hits from Google suggest that ‘Qwikfone’ is associated with the sale of refurbished smartphones and parts, as well as mobile phone repairs, the print is undated and there is nothing to connect the hits with the applicant. Finally, while the applicant has provided evidence of its accounts dating back to 2014, there is no clear evidence of the provision of goods or services under the ‘Qwikfone’ brand. Therefore, the relevant date for assessment of the opponent’s claim under Section 5(4)(a) is the filing date of the contested application, namely, 12 April 2019.

Goodwill

21. The first hurdle for the opponent is to show that it had the necessary goodwill in the sign ‘Qwikfone’ at the relevant date. Goodwill was described in *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL), in the following terms:

“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.”

22. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

“27. There is one major problem in assessing a passing of claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

23. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat), Floyd J. (as he then was) stated that:

“[The above] 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.”

24. The opponent's evidence does not show use of 'Qwikfone', by the opponent, in relation to *'batteries for mobile phones, chargers and battery chargers for mobile phones, mobile phone cases and mobile phone accessories'*. The only evidence filed by the opponent in support of its claim under Section 5(4)(a) is a print of the 'Qwikfone' sign, to which it contends to have unregistered rights. There is no evidence of any use in trade of the sign by the opponent and neither is there evidence of, inter alia, turnover under the sign 'Qwikfone', advertising of the opponent's goods, social media references to the opponent's business or a page for that business. No evidence of a website has been provided, there are no customer testimonials, nor is there any evidence of the applicant's attendance at trade events, for example, under the 'Qwikfone' sign. Although the opponent has submitted that it has generated an income of £1,832,833 under the sign, spent in excess of £168,000 in advertising the sign, generated good reviews for its products and uses packaging bearing the sign, there is no evidence to support any of these claims. In short, there is nothing before me to demonstrate that the opponent has generated any goodwill under the sign 'Qwikfone' for the claimed goods at the relevant date. Accordingly, the opponent's claim under this ground fails at the first hurdle.

CONCLUSION

25. The opposition under Section 5(4)(a) of the Act has failed. Subject to any successful appeal against my decision, the application will become registered in the UK.

COSTS

26. As the opposition has been unsuccessful, the applicant is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. The decision has been taken from the papers without an oral hearing. The applicant did file evidence in these proceedings, but it did not assist me in reaching my decision and I decline to award costs in respect of it. The applicant also filed written submissions in lieu of a hearing. In the circumstances I award the applicant the sum of **£500** as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Considering the opponent's statement and preparing a counterstatement	£200
Preparing written submissions	£300
Total	£500

27. I therefore order K Nyuk Kent to pay 28 Trading Ltd the sum of **£500**. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an unsuccessful appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 24th day of September 2020

James Hopkins
For the Registrar,
The Comptroller General