

**O/453/21**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF REGISTRATION NO. UK00003331479**

**IN THE NAME OF NICOLA COKER**

**FOR THE FOLLOWING TRADE MARK:**

**Pure Steel**

**IN CLASS 41**

**AND IN THE MATTER OF AN APPLICATION FOR A DECLARATION OF  
INVALIDITY THERETO UNDER NO. 502776**

**BY SACHA WALSH**

## BACKGROUND AND PLEADINGS

1. Nicola Coker (“the proprietor”) is the registered proprietor of UK trade mark no. 3331479 for the mark **Pure Steel** (“the Contested Mark”). The Contested Mark was filed on 14 August 2018 and registered on 9 November 2018. It stands registered for the following services:

Class 41 Entertainment by means of concerts; Entertainment in the form of live musical performances (Services providing -); Entertainment services performed by a musical group; Entertainment services performed by musicians; Corporate entertainment services; Education and training in the field of music and entertainment; Education, entertainment and sport services; Education, entertainment and sports; Music entertainment services; Musical entertainment; Organisation of musical entertainment; Presentation of live entertainment performances; Production of live entertainment; Providing educational entertainment services for children in after-school centers; Provision of educational entertainment services for children in after school centers; Provision of live entertainment; Provision of musical entertainment; Services providing entertainment in the form of live musical performances; Entertainment; Entertainment services provided by a music group; Entertainment services provided by a musical group; Entertainment services provided by performing artists; Entertainment services provided for children; Entertainment, education and instruction services; Entertainment, sporting and cultural activities.

2. On 20 August 2019, Sacha Walsh (“the applicant”) applied to invalidate the Contested Mark under section 47 of the Trade Marks Act 1994 (“the Act”). The applicant relies upon sections 5(4)(a) and 3(6) of the Act.

3. For her application based upon section 5(4)(a) of the Act, the applicant claims to have used the following signs throughout the UK since 1989 in relation to “entertainment”:

**Pure Steel**  
("the First Sign")



("the Second Sign")

4. For her application based upon section 3(6) of the Act, the applicant claims that the proprietor did not have the right to use the Contested Mark for her business, or to trade mark it for her own purposes. Consequently, the applicant claims that the Contested Mark was filed in bad faith.

5. The proprietor filed a counterstatement denying the claims made.

6. The applicant is unrepresented and the proprietor is represented by Walker Morris LLP. Both parties filed evidence in chief. The applicant also filed evidence in reply. No hearing was requested and only the applicant filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

### **EVIDENCE AND SUBMISSIONS**

7. The applicant's evidence in chief took the form of her own witness statement dated 6 May 2020 and the witness statement of Barbara Stenton dated 5 May 2020. The applicant's statement was accompanied by 23 exhibits and Ms Stenton's statement was accompanied by 1 exhibit. Ms Stenton is a customer of the band.

8. The proprietor's evidence in chief took the form of her own witness statement dated 4 September 2020, which is accompanied by 6 exhibits. It also included the witness statements of:

- a) Amanda Stocks dated 2 September 2020. Ms Stocks was a student at Heanor Gate Science College from September 2002 until July 2009.
- b) Janet Ann Oliver dated 14 August 2020. Ms Oliver has known the proprietor since September 2000 at which time they worked at Heanor Gate Science College together.
- c) Daniel Richard Collington dated 27 August 2020. Mr Collington was a student at Heanor Gate Science College from September 2001 until July 2006.
- d) Danielle Jenette Manson dated 18 August 2020. Ms Manson was a student at Heanor Gate Science College from September 2000 until July 2005.
- e) Danielle Revill dated 26 August 2020. Ms Revill was a student at Heanor Gate Science College from September 2005 until July 2012.
- f) Jane Barnett dated 21 August 2020. Ms Barnett is the Hon. Secretary of Ripley Hospital League of Friends.
- g) Jennifer Alexander-Brown dated 13 August 2020. Mrs Alexander-Brown has known the proprietor since 1998.
- h) Joanne Revill dated 13 August 2020. Ms Revill is the Head Teacher of The Lanes Primary School in Nottingham.
- i) Leanne Caswell dated 27 August 2020. Ms Caswell was a student at Heanor Gate Science College from September 2009 until July 2017.

j) Leonie George dated 1 September 2020. Ms George is a Senior Leader at Mundy Church of England Junior School.

k) Louis Simpson dated 27 August 2020. Mr Simpson was a student at Heanor Gate Science College from September 2011 until July 2019.

l) Rob Rainsford dated 16 August 2020. Mr Rainsford is the Race Director/Organiser of the Matthew Walker 10k race organised by Heanor Running Club.

9. The proprietor's evidence in chief was accompanied by written submissions dated 4 September 2020.

10. The applicant's evidence in reply took the form of the witness statements of:

a) Anna Marie Coop dated 1 January 2021, accompanied by 10 exhibits. Ms Coop states that she currently plays in the Pure Steel band.

b) Jackie Eyre dated 31 December 2020, accompanied by 6 exhibits. Ms Eyre states that she is one of the original members of the Pure Steel band.

c) Gwyneth Adele Gascoigne dated 2 January 2021, accompanied by 2 exhibits. Ms Gascoigne states that she currently plays in the Pure Steel band.

d) Kevin Churn dated 29 December 2020. Mr Churn states that he joined the band in late 1993.

e) Chris Wright dated 2 January 2021, accompanied by 1 exhibit. Mr Wright states that he currently plays in the Pure Steel band.

f) Joanna Kate Margett dated 31 December 2020, accompanied by 3 exhibits. Ms Margett owns a business situated at The Ferrers Centre for Arts and Crafts.

g) Elizabeth Mills dated 30 December 2020, accompanied by 3 exhibits. Ms Mills is a committee member of the Lea and Holloway Carnival.

11. The applicant's evidence in reply was accompanied by written submissions dated 1 February 2021.

12. As noted above, the applicant also filed written submissions in lieu dated 5 April 2021.

13. I do not propose to summarise the evidence and submissions here. However, I have taken it all into consideration and will refer to it below where necessary.

## **PRELIMINARY ISSUE**

14. I note that there seems to be some suggestion that the proprietor has proceeded on the basis that the applicant is relying upon the Second Sign alone. However, as the applicant notes in her written submissions, both signs were clearly set out in her Form TM26(I). Consequently, I will proceed on the basis that the applicant can rely upon both of the signs identified.

15. Further, I note that these proceedings have been brought in the name of the applicant alone; they should have been brought in the name of the band (as a partnership at will).<sup>1</sup> However, given my findings below, this will have no impact upon these outcome of these proceedings.

## **DECISION**

16. Section 5(4)(a) and 3(6) of the Act have application in invalidation proceedings by virtue of section 47 of the Act, which states as follows:

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<sup>1</sup> *Saxon Trade Mark* [2003] FSR 39

“47. (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

[...]

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(5A) An application for a declaration of invalidity may be filed on the basis of one or more earlier trade marks or other earlier rights provided they all belong to the same proprietor.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed.”

## **Section 5(4)(a)**

17. Section 5(4)(a) of the Act states as follows:

“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, 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”.

18. 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.”

19. 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)."

### **Relevant date**

20. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC, sitting as the Appointed Person, considered the relevant date for the purposes of s.5(4)(a) of the Act and stated 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.'

21. The prima facie relevant date is the date of the application for the Contested Mark i.e. 14 August 2018. However, in the Form TM26(I) the applicant states: "It transpires that [the proprietor] has taken the name 'Pure Steel' and set up her own business under this name in 2002 [...]". It appears, therefore, that there is likely to also be a second, earlier, relevant date. However, I will return to any earlier use (and any resulting earlier relevant date) only if it is necessary to do so.

## Goodwill

22. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), goodwill was described 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.”

23. The applicant claims that the band ‘Pure Steel’ was formed in 1989. This is admitted by the proprietor in her Form TM8 and, in her witness statement, she states: “[i]n 1989, I was a member of a band called ‘Pure Steel’”. Both parties agree that the band originally consisted of six members, who chose the name by vote. This is confirmed by Ms Coop, another of the founding band members, as she states: “we had a meeting with all new members of the band in 1989 and all voted on the name ‘Pure Steel’”.

24. The first question that I must consider is whether, after its creation in 1989, the band had established any goodwill. I have very little evidence on this point. I have no information about the total amount of money generated by the band or any concrete evidence regarding the number of events that the band performed at. The only evidence that goes to the scale of the income generated by the band comes from Ms Coop and Ms Gascoigne. Ms Coop states that “we performed many weekends of the year and the money earned from this helped me to fund my way through university”. Ms Gascoigne gives evidence that the band performed at many formal events including weddings, corporate events and private parties; she states that the money she earned through the band funded the purchase of her first car. This suggests to me that, whilst the income generated by the band may not have been extensive, it was at least reasonable enough to have allowed the band members to make fairly sizeable purchases (i.e. University tuition fees and a car). However, I am mindful that, without further information, I have no way of knowing what figures these might have attracted.

25. I also note that there is further evidence of the band's trade, as follows:

a) An advertisement which the applicant dates as being from 1995 which states:

"Pure Steel 2 July

As members of the Bolsover School Panamonic, Anna, Sacha, Gweneth, Mark and Jackie played in concerts at The Royal Festival Hall and The Royal Albert Hall among many other venues. Now in the five years since Pure Steel was formed they have toured in Southern Spain as well as extensively in this country. Becky has recently joined the group."<sup>2</sup>

As both parties agree that the band was formed in 1989, the reference to this article being "five years" since the band was formed would suggest that this was around 1994.

b) A licence for street performing from York City dated 1 July 1995 addressed to Ms J Marples, who is described as the band's manager.<sup>3</sup>

c) A leaflet which advertises 'Pure Steel' performing at Teversal Manor, which the applicant states took place in July 1995.<sup>4</sup> I note that an order for 5 tickets (amounting to a sum of £32.50) is also included.

d) Ms Coop gives evidence that in one busking session in York city centre in 1995 alone the band sold 89 tapes and CDs.<sup>5</sup>

e) Ms Stenton, a customer of the band, gives evidence that they were hired to perform at her wedding on 8 August 1998.

f) A street performing contract dated 26 June 1999.<sup>6</sup> This relates to 'Pure Steel' performing at the Gloucester Festival.

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<sup>2</sup> Exhibit SW9

<sup>3</sup> Exhibit SW10

<sup>4</sup> Exhibit SW11

<sup>5</sup> Exhibit AC3

<sup>6</sup> Exhibit SW13

g) The applicant gives evidence that the band “undertook gigs all over the country most weekends through the 1990s and also toured in Spain”.

h) Mr Churn agrees, stating that from 1993 onwards, the band “played or busked at least twice a month, sometimes more often”.

i) A number of photographs which display women playing the steel drums.<sup>7</sup> The applicant states that these photographs are of the band and are dated from 1994 onwards. A number of photographs show the drums displaying the words ‘Pure Steel’. I note that the proprietor challenges these photographs on the basis that they are not themselves dated (it is only the applicant, in her narrative evidence, that dates them as 1994 onwards). However, I see no reason to doubt the applicant’s account, as it is given under a signed statement of truth and the proprietor did not seek to cross-examine her.

26. I note that the applicant accepts that, at some point, the band stopped performing together. In her Form TM26(I), the applicant states:

“The band actively performed until 2001 but then went through a dormant period whilst band members raised their young families. Throughout this time the band continued to meet, practice and maintain the original instruments which we still use now.”

27. I note that Mr Churn states that he continued to play in the band until “1999/2000”. The other band members (Ms Gascoigne, Ms Eyre and Ms Coop) give the date on which the band ceased performing as 2000.

28. On balance, it seems to me that the band had generated a protectable goodwill, albeit at a modest level, by the time they ceased performing in or around 2000. Although I have very little evidence to indicate turnover, there is clear evidence of frequent performances over a number of years. Clearly, the First Sign (which is used

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<sup>7</sup> Exhibits SW2 to SW8

throughout the evidence to refer to the band) was distinctive of that goodwill. The only reference to the Second Sign in the applicant's evidence is in the statement of Ms Coop; she states that the sign was used as the front cover of the band's second CD. No information is provided about when this CD was released or how many copies were sold. Consequently, I do not consider the evidence sufficient to demonstrate that the Second Sign had become distinctive of the band's goodwill.

29. The next question I must consider is who owned that goodwill. This is a case which involves changing membership of the band over time. The applicant claims that the proprietor left the band in around 1993; the proprietor's position on this is contradictory. On the one hand, she denies that she 'resigned' from the band, but in her evidence states "the band changed in formation during the period of 1989-1993 as various members left the band, and due to friction amongst the band I stopped participation in meetings and rehearsals towards the end of this period". Further, she makes reference to what happened after she "left" the band. In this regard, the applicant has provided a copy of a resignation letter from the proprietor dated 25 May 1993 which states:

"I have thought at length and have decided that when I take up my commitment at Salford it is going to be too demanding for me to continue with 'Pure Steel'."<sup>8</sup>

Ms Coop also confirms that the proprietor left the band in 1993. Taking all of this into account, I find that the proprietor left the band in 1993.

30. The proprietor claims that "the remaining three members of the band performed a handful of times after [she] left, however this did not prove successful and the band stopped performing altogether soon after". By contrast, the applicant claims that new band members were recruited and that they continued to perform for at least a number of years after the proprietor's departure. The suggestion that new band members were recruited after the proprietor's departure is confirmed by Mr Churn and Ms Gascoigne. They give evidence that they joined the band in late 1993 and 1994 respectively. Similarly, Ms Eyre confirms that the band (consisting of herself, the applicant, Ms Coop, Ms Gascoigne and Rebecca Edwards (nee Walker) and Kevin Churn on

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<sup>8</sup> Exhibit SW1

percussion) continued to play after the proprietor's departure. On balance, I agree with the applicant's position. Clearly, the evidence listed above demonstrates that the band continued to perform after the proprietor's departure in 1993.

31. In terms of ownership of the goodwill, one of the best-known examples is *Saxon Trade Mark*.<sup>9</sup> The late Laddie J. considered the ownership of goodwill generated by bands with changing membership and explained that, absent a contract or agreement, the members of a band who perform for consideration are likely to constitute a partnership at will. This means that the assets of the band, including its goodwill (and therefore rights to its name), are partnership assets to which each member is normally entitled to an undivided share. There is no evidence of any contractual agreement in this case. By 2000, the band consisted of the applicant, Ms Coop, Ms Gascoigne, Ms Eyre and Mr Churn and Ms Edwards. They would have all owned an undivided share in that goodwill. Addressing the position where members leave a band, Laddie J. said this:

“25 Absent special facts such as existed in *Burchell*, the rights and obligations which arise when a group of musicians, performing in a band as a partnership, split up can be explained as follows. It is convenient to start by considering the position when two, unrelated bands perform under the same name. The first performs from, say, 1990 to 1995 and the second performs from 2000 onwards. Each will generate its own goodwill in the name under which it performs. If, at the time that the second band starts to perform, the reputation and goodwill of the first band still exists and has not evaporated with the passage of time (see *Ad-Lib Club Ltd v Granville* [1972] R.P.C. 673) or been abandoned (see *Star Industrial Co Ltd v Yap Kwee Kor* [1976] F.S.R. 256) it is likely to be able to sue in passing off to prevent the second group from performing under the same name (see *Sutherland v V2 Music* [2002] EWHC 14 (Ch); [2002] E.M.L.R. 28). On the other hand, if the goodwill has disappeared or been abandoned or if the first band acquiesces in the second band's activities, the latter band will be able to continue to perform without interference. Furthermore, whatever the relationship between the first and second bands, the latter will acquire separate

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<sup>9</sup> [2003] FSR 39

rights in the goodwill it generates which can be used against third parties (see *Dent v Turpin* and *Parker & Son (Reading) Ltd v Parker* [1965] R.P.C. 323). If the first band is a partnership, the goodwill and rights in the name are owned by the partnership, not the individual members, and if the second band were to be sued, such proceedings would have to be brought by or on behalf of the partnership.

26 The position is no different if two bands contain common members. If, as here, they are partnerships at will which are dissolved when one or more partners leave, they are two separate legal entities. This is not affected by the fact that some, even a majority, of the partners in the first band become members of the second. A properly advised band could avoid the problem that this might cause by entering into a partnership agreement which expressly provides for the partnership to continue on the departure of one or more members and which expressly confirms the rights of the continuing and expressly limits the rights of departing partners to make use of the partnership name and goodwill. This is now commonplace in the partnership deed for solicitors' practices."

32. By leaving the band and acquiescing to it carrying on without them, past members of the band almost certainly abandon any claim they may have had to a share in the goodwill created in earlier years. I consider that when the proprietor left the band in 1993, she abandoned any claim she had to a share in the goodwill generated prior to that date.

33. The next key question that I must consider is whether the band still had goodwill at the prima facie relevant date i.e. 14 August 2018. I have already found that the band stopped performing in or around 2000, some 18 years prior to the prima facie relevant date.

34. In *Ad-Lib Club Limited v Granville* [1971] FSR 1 (HC), Vice Chancellor Pennycuik stated that:

“It seems to me clear on principle and on authority that where a trader ceases to carry on his business he may nonetheless retain for at any rate some period of time the goodwill attached to that business. Indeed it is obvious. He may wish to reopen the business or he may wish to sell it. It further seems to me clear in principle and on authority that so long as he does retain the goodwill in connection with his business he must also be able to enforce his rights in respect of any name which is attached to that goodwill. It must be a question of fact and degree at what point in time a trader who has either temporarily or permanently closed down his business should be treated as no longer having any goodwill in that business or in any name attached to it which he is entitled to have protected by law.”

35. It is, therefore, possible for a party to retain residual goodwill in a sign, even though they have not been trading under it for some time. In *Minimax GmbH & Co KG v Chubb Fire Limited [2008] EWHC 1960 (Pats)* Floyd J considered how long residual goodwill lasts. He stated:

“It is difficult to define any minimum threshold. It will all depend on the facts. How big was the reputation when use stopped? How lasting in the public eye are the goods or services to which the mark is applied? How, if at all, has the person asserting the existence of the goodwill acted in order to keep the reputation in the public eye? The greater each of these elements is, the longer, it seems to me, it will take for any goodwill to dissipate.”

36. I have already found that the band's goodwill when they stopped performing around 2000 would have been modest. I have considered whether the applicant and her fellow band members took any steps to keep the goodwill of the band in the public eye. In this regard, I note that the applicant gives evidence that steps were taken to keep the original instruments in good working order during the 18-year hiatus and that, prior to announcing their return in 2018, the band had started to practice together again. However, as the proprietor notes in her written submissions “this does not show use of the mark”: these are not actions that would have kept the band in the public eye. Ms Coop states that her mother received a phone call from the proprietor around 2002, in which the proprietor was informed that the pans were going to be used by the



band in the future. However, there is nothing in this evidence to suggest to me that there were any steps actively being taken at that time to continue to perform under the sign or to maintain public awareness of any goodwill enjoyed by the band.

37. I recognise that the services might benefit from some degree of retained public awareness through CD and record sales, which might still be played by consumers. However, as the proprietor notes in her written submissions, a significant amount of time had passed between the band ceasing performances in or around 2000 and the prima facie relevant date in 2018. In my view, bearing in mind the amount of time that had passed and the only modest degree of goodwill enjoyed by the band by the time they ceased performing in or around 2000, the band would no longer have benefitted from any residual goodwill by the prima facie relevant date in 2018.

38. I have, of course, borne in mind that the applicant and her fellow band members did, themselves, recommence trade prior to the prima facie relevant date. In this regard, the applicant states that, after a hiatus of around 18 years, the band decided to start performing again in 2018. From January 2018, the applicant states that the band members started using their own social media accounts to promote the band, before setting up an official Facebook page for the band in June 2018. A post from a member of the public from 10 January 2018 refers to the “pure steel band”.<sup>10</sup> A post from the applicant’s Facebook account from 30 June 2018 states: “first gig in a while! I think we all agree, we had a ball!! Bring on the next one!”.<sup>11</sup> Ms Coop posted a photograph of the band on Facebook in July 2018 and notes that the band performed at the Lea and Holloway Carnival in June 2018.<sup>12</sup> The applicant has also provided a print out of an advert for an event on Facebook which was due to take place on 12 August 2018 which states “Pure Steel – steel drum band” and is described as being hosted by The Ferrers Centre for Arts and Crafts.<sup>13</sup> Ms Margett gives evidence that this booking was made in July 2018.<sup>14</sup> Ms Mills gives evidence that she had booked the band for a carnival on 30 June 2018 and for a second carnival in 2019.<sup>15</sup>

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<sup>10</sup> Exhibit SW19

<sup>11</sup> Exhibit SW20

<sup>12</sup> Exhibit SW21

<sup>13</sup> Exhibit SW22

<sup>14</sup> Exhibit JM1

<sup>15</sup> Exhibit EM2

39. I have taken all of this evidence into account. However, it appears that the band only performed at one or two events prior to the prima facie relevant date. I do not consider that, combined with what appears to be relatively limited social media promotions, to be sufficient to have generated or reignited the band's goodwill by the prima facie relevant date. As the applicant has been unsuccessful in demonstrating goodwill at the prima facie relevant date, there is no need for me to consider the position at any earlier relevant date.

40. Consequently, the application based upon section 5(4)(a) falls at the first hurdle and is dismissed.

### **Section 3(6)**

41. Section 3(6) of the Act states:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

42. The relevant case-law covering trade mark applications made in bad faith can be found in the following cases: *Chocoladefabriken Lindt & Sprüngli*, CJEU, Case C-529/07, *Malaysia Dairy Industries*, CJEU, Case C-320/12, *Koton*, CJEU, Case C-104/18P, *Sky v Skykick*, CJEU, Case C-371/18, *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others*, [2009] RPC 9 (approved by the Court of Appeal in England and Wales: [2010] RPC 16), *Trump International Limited v DDTM Operations LLC*, [2019] EWHC 769 (Ch), *Copernicus-Trademarks v EUIPO*, General Court of the EU, Case T-82/14, *Daawat Trade Mark, The Appointed Person*, [2003] RPC 11, *Saxon Trade Mark*, [2003] EWHC 295 (Ch), *Mouldpro ApS v EUIPO*, General Court of the EU, Case T-796/17, *Alexander Trade Mark, The Appointed Person*, BL O/036/18, *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch) and *Sky v Skykick* [2020] EWHC, 990 (Ch).

43. The law appears to be as follows:

- (a) While in everyday language the concept of 'bad faith' involves a dishonest state of mind or intention, the concept of bad faith in trade mark law must be understood in the context of trade: *Sky CJEU*.
- (b) Applying to register a trade mark without an intention to use it is not bad faith *per se*. Therefore, it is not necessary for the trade mark applicant to be using, or have plans to use, the mark in relation to all the goods/services covered by the specification: *Sky CJEU*.
- (c) The bad faith of the trade mark applicant cannot, therefore, be presumed on the basis of the mere finding that, at the time of filing his or her application, that applicant had no economic activity corresponding to the goods and services referred to in that application: *Sky CJEU*.
- (d) However, where the trade mark application is filed without an intention to use it in relation to the specified goods and services, and there is no rationale for the application under trade mark law, it may constitute bad faith. Such bad faith may be established where there are objective, relevant and consistent indications showing that the applicant had the intention either of undermining, in a manner inconsistent with honest practices, the interests of third parties, or of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark: *Sky CJEU*.
- (e) This may be the case where the exclusive right was sought as part of a strategy of using widely cast trade mark registrations as legal weapons for use against others in opposition proceedings and/or for the purposes of blocking applications by third parties: *Sky EWHC* and *Copernicus-Trademarks v EUIPO*.
- (f) A trade mark may be applied for in good faith in relation to some of the goods/services covered by the application, and in bad faith as regards others: *Sky CJEU*.

(g) This may be the case where the trade mark applicant has included a specific term in the specification, such as 'computer games', with no intention of using the mark in relation to any such goods, simply to obstruct third parties from using or registering the same mark, or similar marks. It may also be the case where the applicant has included a broad term, such as 'computer software', with the intention of using the mark in relation to a particular sub-category of such goods/services, but no intention of using the mark in relation to all the other (sometimes very different) sub-categories of goods/services covered by the broad term, with the objective of obstructing third parties from using or registering the mark in relation to such goods/services: *Sky EWHC*.

(h) In deciding whether there was a rationale for registering the trade mark in relation to any particular term, it is necessary to bear in mind that trade mark proprietors have a legitimate interest in seeking protection in respect of goods or services in relation to which they may wish to use the trade mark in future (even if were no plans to use the mark in relation to the goods/services at issue at the time of filing the application): *Sky EWHC*. It is therefore relevant to consider whether the goods/services in the contested application are related to those for which the mark has been used, or for which the applicant had plans to use the mark.

44. The following points are apparent from the pre-*Sky* case-law about registering trade marks in bad faith:

(a) Although it may be a relevant factor, the mere fact that the trade mark applicant knew that another party was using the trade mark in another territory does not establish bad faith: *Malaysia Dairy Industries*.

(b) Similarly, the mere fact that the trade mark applicant knew that another party used the trade mark in the UK does not establish bad faith: *Lindt, Koton* (paragraph 55). The trade mark applicant may have reasonably believed that it was entitled to apply to register the mark, e.g. where there had been honest concurrent use of the marks: *Hotel Cipriani*.

(c) However, an application to register a mark is likely to have been filed in bad faith where the trade mark applicant knew that a third party used the mark in the UK, or had reason to believe that it may wish to do so in future, and intended to use the trade mark registration to extract payment/consideration from the third party, e.g. to lever a UK licence from an overseas trader: *Daawat*, or to gain an unfair advantage by exploiting the reputation of a well-known name: *Trump International Limited*.

(d) An application may also have been filed in bad faith where the trade mark applicant acted in breach of a general duty of trust as regards the interests of another party, including his or her own (ex) company or (ex) partners, or a party with whom there is, or had recently been, a contractual or pre-contractual relationship, such as a licensor, prospective licensor or overseas principal: *Saxon, Mouldpro*; or where a legal agreement prohibits such a filing.

45. The correct approach to the assessment of bad faith claims is as follows. According to *Alexander Trade Mark*, the key questions for determination in such a case are:

(a) What, in concrete terms, was the objective that the trade mark applicant has been accused of pursuing?

(b) Was that an objective for the purposes of which the contested application could not be properly filed? and

(c) Was it established that the contested application was filed in pursuit of that objective?

46. The trade mark applicant's intention (i.e. objective) is a subjective factor which must be determined objectively by the competent authority. An overall assessment is required, which must take account of all the factual circumstances relevant to the particular case: *Lindt*.

47. The matter must be judged at the relevant date, which is the date of the application for registration: *Lindt*. In this case, the relevant date is 14 August 2018.

48. It is necessary to ascertain what the trade mark applicant knew at the relevant date: *Red Bull*. Evidence about subsequent events may be relevant, if it casts light backwards on the position at the relevant date: *Hotel Cipriani*.

49. A statement on the application form that the mark is in use, or there is a *bona fide* intention to use it may, if untrue, provide evidence supporting a bad faith case, but is not sufficient by itself to justify the refusal or cancellation of the registration: *Sky* CJEU.

50. An allegation of bad faith is a serious allegation which must be distinctly proved, but in deciding whether it has been proved, the usual civil evidence standard applies (i.e. balance of probability). This means that it is not enough to establish facts which are as consistent with good faith as bad faith: *Red Bull*.

**What, in concrete terms, was the objective that the trade mark applicant has been accused of pursuing?**

51. In the Form TM26(i) the applicant states:

“Pure Steel is a steel band formed in 1989, funded and managed by the late Janet Marples and the Marples family. The name ‘Pure Steel’ was chosen via vote by all original band members. The band was a successful group, touring the UK and produced tapes and CDs of our music.

Nicola Coker was a band member until 1993, when she resigned from the band. Pure Steel continued to actively perform after Nicolas [sic] departure for a further 7 years, until 2001, but then went through a dormant period whilst band member [sic] raised their young families. Throughout this time the band continued to meet, practice and maintain the original instruments. The original instruments are marked with the ‘Pure Steel’ logo and we still use them today. Its [sic] important to note that ‘Pure Steel’ has never split up since 1989.

In 2018, the band began actively undertaking public performances again and at this time Nicola Coker decided to trademark ‘Pure Steel’. It transpires that

Nicola Coker has used the name 'Pure Steel' for her own business name since 2002, but no contact was made with original band members to seek permission to use or subsequently trademark this name for her own purposes. The 3 original band members of 'Pure Steel' (Sacha Walsh, Anna Coop and Jackie Eyre) believe that Nicola Coker does not have any right to use this name for her business, or to trademark the name for her own purposes. We believe she has applied for this trademark in bad faith.”

52. It appears, therefore, that the basis of the bad faith claim against the proprietor is that she has applied for the trade mark in the knowledge that she had no right to use it, as it belonged to the other members of the band who continued to perform after her departure in 1993.

**Was that an objective for the purposes of which the contested application could not be properly filed?**

53. Mere knowledge of another party's ownership of a trade mark (or unregistered right) is not, in itself, grounds for bad faith. However, I accept that in principle, filing a trade mark that the proprietor knows belongs to another party could be bad faith, depending upon the circumstances. For example, making an application with the intention of blocking the rightful owner from using the mark or due to the breakdown of a former business relationship could be grounds for bad faith.

**Was it established that the contested application was filed in pursuit of that objective?**

54. For the reasons set out above, it has not been proved that the applicant (and her fellow band members) did, in fact, own the rights in the name at the relevant date. Consequently, the bad faith claim based upon the fact that the name was owned by the other band members falls at the first hurdle.

55. I have considered whether the filing may have been triggered by the reformed band's activities on social media regarding their return to performing, with the intent of blocking that use. However, I note that the proprietor had, herself, been using the

name for 16 years by that time. It is entirely possible that the proprietor's motive in registering the trade mark was to protect the goodwill that she had herself acquired under the name in the intervening period. Even if the proprietor had become aware in 2018 (through sight of Facebook advertising) that her ex-band members were planning to return to performing under the Contested Mark, given that she had herself been using her mark in the intervening period for a lengthy period of time and the other band members had not been performing (nor had they taken any steps to prevent her performing), I do not consider that it falls short of the standards of acceptable commercial behaviour for her to seek to protect what she perceived to be her own rights in that mark.

56. I have also considered the applicant's claim that the proprietor was informed at some point in 2002 that the band was continuing to maintain their instruments (the suggestion being that they would, at some point, recommence performances). However, it seems to me that had the applicant had issue with the proprietor's conduct in the intervening period after the proprietor started using the mark herself, then that would have been the appropriate time to take action. I must consider whether the act of applying to register the trade mark was an act of bad faith. I see nothing before me to suggest that it was.

57. Taking all of this into account, I am not satisfied that the applicant has proved that the Contested Mark was filed in bad faith.

58. The application based upon section 3(6) of the Act is dismissed.

## **CONCLUSION**

59. The application for invalidation is unsuccessful.

## **COSTS**

60. The proprietor has been successful and is entitled to a contribution towards her costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the sum of **£1,550** calculated as follows:



Preparing a statement and considering the applicant's statement	£400
Preparing evidence and considering the applicant's evidence	£850
Preparing written submissions	£350
<b>Total</b>	<b>£1,550</b>

61. I therefore order Sacha Walsh to pay Nicola Coker the sum of £1,550. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

**Dated this 16th day of June 2021**

**S WILSON**  
**For the Registrar**