

**O/646/21**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 3506036  
IN THE NAME OF BARCAKE LIMITED FOR THE TRADE MARK**

**Fabjack**

**IN CLASS 30**

**AND**

**OPPOSITION THERETO UNDER NO. 421791  
BY PULLINS (BAKERS) LIMITED**

## Background and pleadings

1. Barcake Limited (“the applicant”) applied to register the trade mark application no. 3506036 for the mark ‘Fabjack’ in the UK on 29 June 2020. It was accepted and published in the Trade Marks Journal on 17 July 2020 in respect of the following goods:

*Class 30: Flapjacks; Flapjacks [griddle cakes]; Cake bars; Oat bars; Oat flakes; Oat-based food; Oat-based food for human consumption; Oat-based foods.*

2. Pullins (Bakers) Limited (“the opponent”) opposes the trade mark on the basis of section 3(6) and section 5(4)(a) of the Trade Marks Act 1994 (“the Act”). Under section 5(4)(a), the opponent claims it has used the trade mark FABJACK in relation to a range of flapjacks throughout the UK since April 2017. The opponent claims goods under the mark have been sold throughout the United Kingdom, particularly in Bristol and the surrounding areas. The opponent claims that as the application is for an identical or similar mark and has been applied for in respect of identical or similar goods, it is liable to be prevented through the law of passing off and should be refused.
3. Under section 3(6), the opponent claims that both parties trade in the Bristol area, share a client and customer base, and attend the same trade fairs. The opponent states that the applicant would have been aware of the opponent’s prior use of the mark FABJACK when filing the application. The opponent claims on this basis that the application has been made in bad faith and should be refused under section 3(6).
4. The applicant filed a lengthy counterstatement. This denied the claims under section 5(4)(a). The applicant denied that the opponent holds goodwill, that there will be misrepresentation, or there will be any damage to the opponent. The applicant states it has been selling flapjacks under the name ‘Fabjack’ since May 2016. The applicant states that as a response to the COVID-19 pandemic, it launched a range of cakes to be delivered direct to homes via its

website, and that at that stage it decided to protect its products by filing its trade mark application. The applicant states the name was inspired by a famous bakery 'The Fabulous Bakin' Boys', which the applicant's director was familiar with from his childhood, which sold flapjacks under the mark FABJACKS. The applicant states the bakery that inspired the name held a UK trade mark under the name FABJACKS until 2008, and that this history shows the applicant had no intention of passing itself off as the opponent. The applicant further states it has built up significant goodwill in the sign 'Fabjack', selling these to thousands of people a week in the Bristol area since 2016, and denies that it operates in the same area as the opponent, stating that the businesses are approximately 15 miles apart. The applicant denies sharing a customer base with the opponent, and states that it is absurd to suggest that attendance at a trade show means they would have been aware of the opponent's product range and denies that this is the case. The opponent submits there is no basis for the opponent's claim under section 5(4)(a).

5. In response to the claims under section 3(6), the applicant denies that the application was made in bad faith and submits again under this ground that they had no knowledge that the opponent also sold a flapjack named 'Fabjack', and that the application was filed with the intention to use the same and without any "bad malice". The applicant states that it did not wish to capitalise on the opponent's claimed reputation or prevent it from entering the market, and that the application was made solely for the purpose of building and protecting their valuable brands.
6. Both parties filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary. Neither party filed written submissions in lieu, and no hearing was requested. This decision is taken following a careful perusal of the papers.
7. Both parties are professionally represented in these proceedings. The applicant is represented by Trademark Brothers Ltd and the opponent is represented by Stevens, Hewlett & Perkins.

8. Although the UK has left the EU, section 6(3)(a) of the European (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

### **Evidence filed**

9. The opponent filed its evidence in chief by way of a witness statement in the name of Tristan Hunt, described as the Marketing Manager for the opponent. Mr Hunt states he has worked for the opponent since 2006 and has been in his position as Marketing Manager since 2010. The statement introduces 17 exhibits, namely Exhibit TH1 – TH17.
10. Mr Hunt explains that the opponent is a family run bakery that was set up in 1925. Mr Hunt states the opponent initially ran a shop in Yatton in North Somerset, but has since expanded the business and now runs three shops in the Bristol area. Mr Hunt explains that the opponent also attends and sells its products at farmers markets in Bristol and Bath, and via its website. In addition, Mr Hunt states it supplies products for third parties who sell its products both nationally and in Bristol.
11. Mr Hunt explains in his statement that in Spring 2017, the opponent released a range of gluten free products, including a flapjack under the sign FABJACK. Mr Hunt confirms the launch was publicised on its website on 28 March 2017. Exhibit TH1 is an article from the website pullinsbakery.co.uk dated 28 March 2017 introducing the 'Fabjack' as its new gluten free flapjack.
12. Mr Hunt explains that the 'Fabjack' was initially sold through its own retail outlets as well as to independent retailers including Budgens and the Gloucester Services. Exhibit TH2 is described as an invoice addressed to Roadchef Motorways Ltd as the operator of Gloucester services. The invoice

shown at Exhibit TH2 is addressed as described and dated 13 May 2017. The body of the invoice lists the sale of one 'GF FRIUTY FABJACK BOX'. Exhibit TH3 shows an Instagram post, dated 18 October 2017. The image appears to be a repost on the opponent's Instagram account of a third party's image of a 'FABJACK', purchased at Gloucester Services. The post shows the product in the image below:



13. Further invoices from May 2017 are provided at Exhibit TH4. Three invoices are provided in total, all listing the sale of one "GF FRIUTY FABJACK BOX". The invoices are addressed to three different businesses, one with a Bristol address, one with a Somerset address, and one with an address of Farrington Gurney. Mr Hunt states that the opponent sells to a large number of outlets in the Bristol area, listing several of these in his witness statement. No commencement dates are given for the trading with each party listed.

14. Mr Hunt states that the FABJACK was launched on a national scale at the Lunch! Tradeshow in London running between 21-22 September 2017, and samples and promotional material were supplied to customers at that time. Examples of the promotional material provided are given at Exhibit TH5. This comprises a leaflet with an image of a 'FABJACK' in the background in what looks to be the same packaging as shown in the image at paragraph 12 above.

15. Mr Hunt explains that the opponent secured a contract with Great Western Rail in October 2017, and that in “the early part of 2020” Great Western Rail were selling over 5,500 of its FABJACKS weekly. A ‘Tweet’ from social media showing the FABJACK dated 17 August 2018 is supplied at TH11. Mr Hunt states this was taken by a customer on board a Great Western Rail train.<sup>1</sup>
16. Exhibit TH6 comprises an email exchange between the opponent and the UK and IE Ikea Food Range and Supply Leader. The exchange confirms that Ikea began to sell the “Gleefully GF fruity fabjack” on 17 January 2019, and that it is sold “in all 23 UK/IE stores”. Exhibit TM7 is a social media post, dated 22 February 2019, from a member of the public who purchased a FABJACK in Ikea. The packaging again shows the mark used as shown at paragraph 12. Exhibit TH8 is a National Trust menu showing the “Gleefully Gluten Free Fruity Fabjack” bar listed under the bakes section. Mr Hunt confirms in his witness statement that the National Trust first listed its products on their takeaway menu in September 2019 at its UK sites nationwide. He states the National Trust own 200 historic houses that are open to the public and that they sell over 2000 FABJACK bars a week.
17. Exhibit TH9 is a screenshot from a webpage named ‘tourvestretailservices.cld.biz’. This shows the FABJACK product at the bottom of the page sitting next to a British Airways logo. Mr Hunt explains in his witness statement that this is a copy of the British Airways onboard menu, and that they began stocking FABJACK in September 2020.
18. Exhibit TH10 comprises two social media posts. The first image shows a post by the opponent of multiple FABJACKS dated 4 October 2017. A second post by the opponent shows a FABJACK under a 40% discount offer and is dated 27 April 2020. Exhibit TH12 is a selection of social media posts mentioning the

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<sup>1</sup> It appears more likely that the post taken on the Great Western Rail train is the one featured under Exhibit TH12 which tags @GWRHelp in the post. Exhibit TM11 is a tweet recommending a FABJACK as part of a gluten free travel combination, but there is nothing to indicate it was taken or posted on a Great Western Rail Train.

FABJACK product posted by third parties, dating from 6 May 2017, 12 September 2018,<sup>2</sup> 21 September 2018, 26 June 2019 and 19 May 2020. Other than the placement of the Gluten Free logo, the packaging appears largely the same throughout the images as shown at paragraph 12.

19. In his witness statement, Mr Hunt has provided the numbers of units sold as below:

Year	Number of Units Sold
2017	66,510
2018	178,380
2019	173,995
2020	72,534

The figures set out in the table above relate to sales of my Company's FABJACK product through national outlets and exclude sales made via my Company's website and sales to local retailers as referred to in paragraph 6. I estimate that sales falling into the category of online sales and sales to local retailers amount to approximately 50,000 since the spring of 2017.

20. In addition, Mr Hunt has confirmed the opponent's attendance and the promotion of the FABJACK product at the Lunch! Trade show in 2017, 2018 and 2019. Exhibit TH13 is an image which Mr Hunt confirms is of the stand at the 2019 Lunch! Trade show, showing the FABJACK product on display. The image provided is below:

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<sup>2</sup> This is the post described above that appears to have been made on a Great Western Rail train.



21. Exhibit TH14 shows a print out from the website cakemiths.com which states that 'Cakesmiths' also attended the 'Lunch show' in 2018. Mr Hunt explains this is the applicant's website showing it attended the same trade show as the opponent in 2018. Exhibit TH15 shows a floorplan from that trade show which Mr Hunt states shows the applicant's and the opponent were only 3 stands apart.

22. In his witness statement, Mr Hunt explained that both the opponent and the applicant attended a Virgin Trains briefing session on 1 May 2018, in which both parties engaged in a discussion on the importance of "gluten free as a proposition moving forward". Mr Hunt explains Exhibit TH16 displays a follow up email from the event stating this was sent to both the applicant and the opponent.

23. Exhibit TH17 shows a google search for FABJACK which brings up the opponent as the first two results. The third result is for CAKESMITHS.<sup>3</sup>

24. The applicant filed evidence by way of a witness statement in the name of Tom Batlle, described as a director of Cakesmiths Group Limited, and 7 exhibits, namely Exhibit TB1 to Exhibit TB7. Mr Batlle confirms he has held the position since 2005, and that he is founder and owner of Cakesmiths Group Limited (formerly Barcake Ltd) since its inception in 2004.

25. Mr Batlle describes in his witness statement that the applicant is a wholesale bakery set up to sell high quality goods almost exclusively to coffee shops and cafes across the UK, but that they also own their own coffee shop in Bristol that opened in 2016.

26. Mr Batlle states he had been aware of the mark FABJACK in relation to flapjacks as a child, due to his childhood family home being just 4 miles from the 'Fabulous Bakin' Boys' who owned the previous registered trade mark in the UK for FABJACKS in class 30. Exhibit TB1 shows the previously registered trade mark FABJACKS from the UK register with a filing date of 13 February 1998. The status of the registration is 'dead'. The mark covers various baked goods in class 30 including flapjacks and shows the owners of the mark as The Fabulous Bakin' Boys Limited, with an address of Witney, Oxon. Exhibit TB2 is a copy of what Mr Batlle has described as his parents council tax bill, with an address shown in Witney, Oxon. Mr Batlle states in his witness statement he has genuine ties to the area of Witney and that he named the flapjacks in his 2016 Bakesmiths store FABJACK due to the memory of the products from childhood.

27. Mr Batlle states that the applicant had previously instructed professional representatives to file its trade marks and ensure a robust trade mark portfolio. Exhibit TB3 comprises a copy of the portfolio, with the earliest filings by the

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<sup>3</sup> The applicant's evidence states that Cakesmiths Group Limited is now the name of the applicant who were formerly Barcake Ltd.

applicant dating back to 2017. He states that more recently, the opponent has filed the trade marks itself, including the application for Fabjack.

28. At Exhibit TB4 Mr Batlle has provided a copy of the Google search results for Fabjack which shows the opponent as the top two results, and the applicant as the third and sixth results (as [www.cakesmiths.com](http://www.cakesmiths.com) and [www.bakesmiths.com](http://www.bakesmiths.com)). The exhibit itself has been marked up stating that the seventh entry is a reference to a client the applicant supplies. A Google image search has also been provided and images of the applicant's product circled. The opponent's product as shown in the evidence also appears as the first image on this page.

29. In his witness statement, Mr Batlle states that the Fabjack product has not been a "big seller" for the applicant, and no sales figures have been provided. Mr Batlle confirms he was not at the Lunch! Trade show mentioned by the opponent himself. Exhibit TB5 is described as a witness statement<sup>4</sup> from the Managing Director and Sales director for the applicant Mr Simon Harris who is said to have attended the trade shows on behalf of the applicant. The exhibit itself consists of a letter signed by Mr Harris stating that he attended the Lunch! Trade shows in 2017, 2018 and 2019 and that he did not recall the opponent's stand. The letter also states he attended the Virgin Trains briefing and does not remember the opponent being there, but that he would have struggled to name any of the suppliers that attended that day.

30. Exhibit TB6 comprises screenshots from a Google search which Mr Batlle highlights describes the applicant's business as wholesale and the opponent as a bakery. Exhibit TB7 shows the packaging used by the applicant as below:

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<sup>4</sup> There is no statement of truth and the document at Exhibit TB5 is not a witness statement.



31. Exhibit TB8 provides details of a third business operating under the name 'Fabjacks Bakery'.

32. The opponent filed evidence in reply by way of a second witness statement in the name of Tristan Hunt. The second witness statement did not introduce any further exhibits, rather it has been filed to introduce criticism or comment on the statements made by Mr Battle. Whilst I have read the witness statement in full, I will not summarise this at this stage, but I will make further reference to this should I find it appropriate to do so within this decision.

33. Whilst I have not detailed every part of the evidence filed extensively, I have considered the evidence filed in full and detailed this to the extent I consider necessary at this stage.

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

### **Legislation**

34. Section 5(4)(a) states:

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

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

35. Subsection (4A) of Section 5 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.”

### **General principles of Section 5(4)(a)**

36. 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).”

37. 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.”

38. The opponent claims to have acquired goodwill in its business in respect of flapjacks through the use of the sign FABJACK, which it states has been used throughout the UK since April 2017. The applicant states it has also used the mark since 2016, however it has not provided the date of first use, any sales figures for items sold under the mark, any images of the mark in use in 2016, or any evidence other than the comment below made by Mr Battle within his witness statement:

“It was not until we opened Bakesmiths in 2016 that I had a direct ‘retail stage’ for the trade mark Fabjack when we looked to rename our cakes for sale in the shop and my memory went back to my childhood days to name the specific flapjack product Fabjack.”

39. The evidence provided showing use of the applicant’s products comprises a Google search, and an image of the product from what appears to be the applicant’s website. One of the results on the Google search for the applicant’s company shows use of FABJACK in the listing, with costs in GBP and with a date of 18 June 2020. The website image appears to be undated. The earliest I can date the applicant’s use of the mark FABJACK to from the evidence is 18

June 2020. 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.’ ”

40. As I have been unable to find sufficient evidence that the applicant was using its mark prior to the 18 June 2020, I will therefore consider the position of the opponent and the goodwill held at the date of first use shown by the applicant, namely 18 June 2020, and consider if that position will have changed by the date of application, namely 29 June 2020.

## **Goodwill**

41. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), the meaning of goodwill was discussed as follows:

“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.”

42. The opponent has been trading using the sign FABJACK<sup>5</sup> in respect of flapjacks in the UK since 2017. The evidence provides an article discussing the launch of the product under the sign dated 28 March 2017 from the opponent’s website, which also confirms the attendance of the opponent at the Eat Clean Fair on 4 April 2017 in Bristol. In addition, the social media posts date back to 6 May 2017, and these show use of the sign on the packaging of the goods, and invoices to UK addresses show sales of flapjacks under the sign FABJACK since 6 May 2017. The evidence states the opponent sold over 66,000 units of its FABJACK product in 2017. Units sold in 2018 and 2019 are shown to be above 170,000. Unit sales are lower in 2020, but remain over 70,000 for that period, and I find it reasonable to assume that at least a portion of those figures will have been from prior to the earliest use date the applicant has shown on 18 June 2020, and prior to the date the application was filed. The evidence also shows that although there is a focus on sales in the Bristol area from the opponent’s own establishments, the opponent’s business and the use of the sign was reasonably widespread throughout the UK by the relevant date, with the evidence confirming trading on Great Western Rail trains by the opponent under the sign since 2017, with sales up to 5,500 a week given for the early part of 2020 (prior to the corona virus pandemic), which I find will fall prior to the relevant dates. The opponent has also shown its products under the sign FABJACK were being stocked in IKEA stores across the UK for approximately 18 months prior to the relevant dates, beginning in January 2019. Further, the opponent has shown its goods under the sign were offered on National Trust menus since September 2019, which the opponent has stated operate at 200 locations across the UK. This evidence, along with the confirmation of the sale of products on the opponent’s own website, help to build a picture that the opponent’s business was spread across the UK and was conducted under the sign FABJACK in respect of flapjacks. I note evidence of marketing and

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<sup>5</sup> Whilst I note the sign is used in bold coloured text, in addition to other wording such as ‘gleefully gluten free’, I find from the use shown in the evidence that the use made will contribute to the word FABJACK being distinctive of the opponent’s business.

promotional activity is fairly limited, but there is evidence of the marketing of the opponent's products by way of the opponent's attendance at trade shows and the advertising of the product on its own webpage back in 2017, in addition to the social media posts issued by the opponent and third parties. Considering the sum of the evidence provided by the opponent, I find that the opponent had generated a significant goodwill in its business in respect of flapjacks by the relevant date, and that the sign FABJACK was distinctive of that goodwill.

### **Misrepresentation**

43. The applicant has applied for the mark FABJACK in respect of the following goods:

*“Flapjacks; Flapjacks [griddle cakes]; Cake bars; Oat bars; Oat flakes; Oat-based food; Oat-based food for human consumption; Oat-based foods.”*

44. I have found an identical sign to that applied for by the applicant to be distinctive of the opponent's goodwill in respect of flapjacks. It is clear that the parties operate in the same field of business, that is the business of baked goods. All of the goods above will be aimed at the general public in addition to the professional public, for example, the opponent's customers including Great Western Rail and Ikea. I acknowledge the applicant's argument that the applicant deals in the wholesale of goods, and the opponent as a bakery, but I do not accept that the parties operate in different fields for the purpose of this decision. The applicant has filed an application for goods, not for wholesale services. The opponent sells its own goods to consumers, including to retailers. Whilst it is true the opponent also appears to run bakeries (as I note, does the applicant), this does not detract from the goodwill the opponent holds in its business of baked goods, namely flapjacks under the sign FABJACK.

45. Being that the mark applied for by the applicant is identical to the opponent's sign FABJACK, and that it has been applied for in respect of identical goods, I find there will undoubtedly be a misrepresentation in respect of the goods

*Flapjacks; Flapjacks [griddle cakes]; Oat bars; Oat-based food; Oat-based food for human consumption; Oat-based foods covered by the application.*

46. Further, although I do not find *Cake bars* to be identical to flapjacks, they are both sweet consumable bars that will be for the same purpose of snacking, will be sold in the same areas of retail stores, will share trade channels and will be in competition due to the similar purpose. I find cake bars to be similar to flapjacks to a high degree and clearly in the same field as the opponent's flapjacks, and considering the factors outlined above, again I find that there will be a misrepresentation that the identical mark used for cake bars will be use by the opponent.

47. I find *oat flakes* to also be for the purpose of snacking, or for eating as a breakfast food, which I find also to be true for the flapjacks. I find the goods will often be provided by the same entities and share trade channels, and they may both be found on the breakfast aisle in retail stores. I find them to be similar to at least a medium degree, and I find the offering of oat flakes to fall within the same or at least a very similar field of business as the offering of flapjacks. Considering all of the aforementioned factors including the shared consumers and fields of business, I find that there will be misrepresentation where the FABJACK mark is used in respect of *oat flakes* by the applicant.

48. I note for the purpose of this ground that I do not find the evidence provided by the applicant to show that the applicant has acted with fraudulent intent when filing the application. Whilst the evidence showing the use made of the mark by the applicant is very limited, it does not seem to me that the applicant has intentionally made their products look like the opponent's in terms of the get up and stylisation, although clearly this is not determinative in the circumstances. I note the evidence that the parties attended the same events, but I also note the denial of any knowledge of the opponent's use of the sign and explanation for choosing the same by the applicant. I do not find the mark FABJACK for flapjacks is so distinctive that it would be out of the question that two parties may land on the same name when deciding on a new mark for their products, with it being a simple play on the word 'flapjack' and 'fab', the latter of which

being short for 'fabulous'. However, I note it is not essential under section 5(4)(a) that the applicant is shown to have acted with fraudulent intent. The mark applied for by the applicant is a word mark, and regardless of the intent, I find there will be a misrepresentation in respect of a substantial number of consumers that the applied for word mark derives from the opponent in respect of all of the goods filed.

49. Where there is a misrepresentation, it is usually the case that damage will follow. 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.”

50. Where I have found the goods to be identical and highly similar, and for the same purpose, there will be a risk of substitution, with the consumer purchasing the applicant's goods instead of the opponent's goods for snacking or stocking stores or snack bars with these products. I find the risk of substitution less likely (although still possible due to their shared purpose as a breakfast food) in respect of the applied for goods *oat flakes*, but I nonetheless find there will be

damage to the opponent's goodwill should consumers be dissatisfied with the goods offered under the applicant's mark, due to the misrepresentation found.

51. I therefore find that the opposition under section 5(4)(a) of the Act succeeds in full.

52. Although I find the opposition has been successful under section 5(4)(a), for completeness I will move on to consider the opponent's opposition under 3(6) of the Act.

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

53. 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.”

### **The principles**

54. In *Sky Limited & Ors v Skykick, UK Ltd & Ors*, [2021] EWCA Civ 1121 the Court of Appeal considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07 EU:C:2009:361, *Malaysia Dairy Industries Pte. Ltd v Ankenævnetfor Patenter Varemærker* Case C-320/12, EU:C:2013:435, *Koton Mağazacılık Tekstil Sanayi ve Ticaret AŞ*, Case C-104/18 P, EU:C:2019:724, *Hasbro, Inc. v EUIPO, Kreativni Dogaaji d.o.o. intervening*, Case T-663/19, EU:2021:211, *pelicantravel.com s.r.o. v OHIM, Pelikan Vertriebsgesellschaft mbH & Co KG (intervening)*, Case T-136/11, EU:T:2012:689, and *Psytech International Ltd v OHIM, Institute for Personality & Ability Testing, Inc (intervening)*, Case T-507/08, EU:T:2011:46. It summarised the law as follows:

“68. The following points of relevance to this case can be gleaned from these CJEU authorities:

1. The allegation that a trade mark has been applied for in bad faith is one of the absolute grounds for invalidity of an EU trade mark which can be relied on before the EUIPO or by means of a counterclaim in infringement proceedings: *Lindt* at [34].

2. Bad faith is an autonomous concept of EU trade mark law which must be given a uniform interpretation in the EU: *Malaysia Dairy Industries* at [29].

3. The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin: *Lindt* at [45]; *Koton Mağazacılık* at [45].

4. The concept of bad faith, so understood, relates to a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other sinister motive. It involves conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices: *Hasbro* at [41].

5. The date for assessment of bad faith is the time of filing the application: *Lindt* at [35].

6. It is for the party alleging bad faith to prove it: good faith is presumed until the contrary is proved: *Pelikan* at [21] and [40].

7. Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is

for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application: *Hasbro* at [42].

8. Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case: *Lindt* at [37].

9. For that purpose it is necessary to examine the applicant's intention at the time the mark was filed, which is a subjective factor which must be determined by reference to the objective circumstances of the particular case: *Lindt* at [41] – [42].

10. Even where there exist objective indicia pointing towards bad faith, however, it cannot be excluded that the applicant's objective was in pursuit of a legitimate objective, such as excluding copyists: *Lindt* at [49].

11. Bad faith can be established even in cases where no third party is specifically targeted, if the applicant's intention was to obtain the mark for purposes other than those falling within the functions of a trade mark: *Koton Mağazacılık* at [46].

12. It is relevant to consider the extent of the reputation enjoyed by the sign at the time when the application was filed: the extent of that reputation may justify the applicant's interest in seeking wider legal protection for its sign: *Lindt* at [51] to [52].

13. Bad faith cannot be established solely on the basis of the size of the list of goods and services in the application for registration: *Psytech* at [88], *Pelikan* at [54]".

55. 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 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?

56. The 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*.

57. The matter must be judged at the relevant date, which is the date of the application for registration: *Lindt*.

58. It is necessary to ascertain what the applicant knew at the relevant date: *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch). Evidence about subsequent events may be relevant, if it casts light backwards on the position at the relevant date: *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).

59. 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*.

## **DECISION**

60. The relevant date for establishing bad faith is 29 June 2020, the date on which the application was filed. The opponent claims that the applicant's objective on the relevant date was to obtain a registered trade mark for a sign that the applicant was aware was in use by the opponent, with the intention of misappropriating the goodwill associated with the opponent under FABJACK.

61. In *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07, the CJEU stated that:

“46.....the fact that a third party has long used a sign for an identical or similar product capable of being confused with the mark applied for and that that sign enjoys some degree of legal protection is one of the factors relevant to the determination of whether the applicant was acting in bad faith”.

47. In such a case, the applicant's sole aim in taking advantage of the rights conferred by a Community trade mark might be to compete unfairly with a competitor who is using the sign which, because of characteristics of its own, has by that time obtained some degree of legal protection.

48. That said, it cannot be excluded that even in such circumstances, and in particular when several producers were using, on the market, identical or similar signs for identical or similar products capable of being confused with the sign for which registration is sought, the applicant's registration of the sign may be in pursuit of a legitimate objective.

49. That may in particular be the case.....where the applicant knows, when filing the application for registration, that a third party, who is a newcomer in the market, is trying to take advantage of that sign by copying its presentation, and the applicant seeks to register the sign with a view to preventing use of that presentation.

50. Moreover.....the nature of the mark applied for may also be relevant to determining whether the applicant is acting in bad faith. In a case where the sign for which registration is sought consists of the entire shape and presentation of a product, the fact that the applicant is acting in bad faith might more readily be established where the competitor's freedom to choose the shape of a product and its presentation is restricted by technical or commercial factors, so that the trade mark

proprietor is able to prevent his competitors not merely from using an identical or similar sign, but also from marketing comparable products.

51. Furthermore, in order to determine whether the applicant is acting in bad faith, consideration may be given to the extent of the reputation enjoyed by the sign at the time when the application for registration as a Community trade mark is filed.

52. The extent of that reputation might justify the applicant's interest in ensuring wider legal protection for his sign."

62. If the evidence establishes that the opponent held rights in the mark at the time the application was filed, that the applicant knew about the use of that mark, and that the application was filed with the intention of taking advantage of those rights and to compete unfairly with the opponent, the case law above indicates that is a basis for finding that the application was filed in bad faith. However, I also keep in mind that the opponent's use of the mark, and the applicant's knowledge of that use alone may not be enough to establish bad faith, for example in circumstances where the application has been filed in pursuit of a legitimate objective of its own.

63. As I have set out in my decision under section 5(4)(a), I find the evidence establishes that the opponent holds goodwill in its business in respect of flapjacks, which is distinguished by the mark FABJACK.

64. The next thing I will consider is whether the applicant knew about the opponent's use of the mark at the time that the application was filed. The opponent submits that the applicant must have known about their earlier rights on the basis that they attended the same Lunch! Trade show in 2017, 2018 and 2019, and that in 2019 the opponent's and applicant's stalls were located three away from each other, with the opponent's FABJACK product clearly displayed on the stall at the time. Further, Mr Hunt stated that a representative for the applicant visited the stall and stayed talking at the stall for half an hour. It was also stated that they both attended the same briefing on 1 May 2018, in which

a discussion on gluten free products was held with both parties involved. The applicant accepts that it was at the aforementioned briefing and the Lunch! Trade shows but denies any knowledge of the opponent's use of FABJACK, or the alleged conversation at the opponent's stall.

65. I have considered the evidence put forward by the opponent to support its case that the applicant knew about its mark, by way of the applicant's attendance and proximity at the trade shows and being at the same briefings. Whilst I note the opponent's products offered under the mark were at the front of its stand at the Lunch! Trade show in 2019, the mark itself was on the products and was relatively small and amongst many other baked goods offered under different marks. It is therefore possible this will not have been noticed by someone walking past, or indeed standing and talking at the stall if attention was not drawn to it specifically. I also consider the evidence showing the opponent's products are listed as the first and second Google search result for FABJACK, but I keep in mind this evidence falls outside of the relevant date. In addition, I note the close proximity of the parties businesses, both operating out of the Bristol area, and both parties being involved in the sale of an identical product and both clearly having an interest in gluten free offerings. However, I note there are likely at least hundreds of varieties of baked goods sold under different marks from businesses based in the Bristol area. I accept that Mr Hunt recalls a conversation with a member of the applicant's team at the 2019 Lunch! Event, and engaged with the applicant at the Virgin Trains briefing. Therefore, on the strength of the opponent's evidence, I accept it is plausible that the applicant, or a member of the applicant's company may have known about the opponent's use of the mark prior to the applicant filing the same.

66. However, I also note that there is no actual acknowledgement or admission from the applicant that they were aware of the opponent's use of the mark, although this is clearly not determinative. I also note there is no evidence of any correspondence between the parties on the subject, and none of the evidence filed by the opponent actually confirms the applicant's knowledge of the opponent's use in concrete terms. Indeed, it seems the opponent itself is not claiming to know for a fact that the applicant knew about its use at the time of

filing, rather it makes suppositions that this is the only possible outcome based on the circumstantial evidence filed, and invites me to come to the same conclusion. I also note the applicant has given its own plausible reason for choosing the mark, namely that it was aware of the mark from its childhood and it was also aware that this was no longer in use by the party previously owning registered rights in the same. Whilst this is perhaps a slightly unusual reason for adopting a mark, in the context this appears simply to be an opportunistic action of the applicant.

67. I have accepted that a conversation between a member of the applicant's team and the opponent took place. In this respect, I note that the letter denying knowledge of the presence of the opponent at the trade show and the briefing in the name of Mr Simon Harris holds little weight, not least due to this not being filed in the proper evidential format. No statement of truth is made by Mr Harris and this cannot be called a witness statement. Further, the letter filed concludes that members of the team "do have breaks to go off and see what is going on". However, even accepting that this conversation took place, there is no evidence that this conversation made any mention of FABJACK, or that it was with a member of the applicant's team with any power to influence future branding decisions. I also note again that the mark is only a very simple play on 'flapjack' and 'fabulous', and I do not find it out of the question that two parties would both land on this mark for a flapjack product, particularly with the assistance of the historic mark.

68. Whilst I therefore find it plausible from the evidence that the applicant knew about the opponent's use prior to filing the application, I also find it entirely plausible that they did not. I remind myself that the allegation of bad faith is a serious one, and that it is not enough to establish facts that may be consistent with both good faith and bad faith. As I find it is just as likely that the applicant did not know about the opponent's use of the earlier mark at the time the application was filed, I find the applicant's objective for filing the mark has not been established. The opposition based on section 3(6) of the Act therefore fails.

## Final remarks

69. The opposition has succeeded on the basis of section 5(4)(a) only. Subject to a successful appeal, the application will be refused in its entirety.

## Costs

70. The opponent has been successful and is entitled to an award of costs. In the circumstances I award the opponent the sum of £1450 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Official fee	£200
Preparing and filing the TM7	£350
Preparing and filing the evidence	£900
Total	£1450

71. I therefore order Barcake Limited<sup>6</sup> to pay Pullins (Bakers) Limited the sum of £1450. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

**Dated this 6<sup>th</sup> day of September 2021**

**Rosie Le Breton**

**For the Registrar**

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<sup>6</sup> It was confirmed in the evidence that Barcake Limited is now Cakesmiths Group Limited. Barcake Limited is still listed as the applicant for the mark on the UK Intellectual Property Office Register. The costs in these proceedings should be paid by the party who are now responsible for this application.