

ORDER under the Companies Act 2006

In the matter of application No 40

by Zurich Insurance Company

for a change of the company name of registration

no 03025539

1) The company name Zurich Investments Limited (hereafter “Investments”) has been registered since 13 August 1999 under number 03025539¹.

2) By an application filed on 23 March 2009, Zurich Insurance Company (hereafter “Insurance”) applied for a change of name of this company registration under the provisions of sections 69(1)(a) & (b) of the Companies Act 2006 (“the Act”). The claims are alternatives, as can be seen in its statement of case, the relevant part of which reads:

“The Company Name is identical to Zurich’s name, save for the word “Investments”, which is descriptive. Even if the company name is not considered identical, it is sufficiently similar to the Zurich name, such that its use in the UK would be likely to mislead by suggesting a business connection between the Company and the applicant.”

3) Insurance states that the name ZURICH is associated with it. It states that the name has been in constant use since 1872 in Switzerland and since 1922 in the United Kingdom. Its statement of case contains detailed information about its use of the word ZURICH. It is sufficient to record at this stage that the fields of business in which Insurance claims to have a goodwill are:

“...financial services generally, and investment and insurance-related services in particular.”

4) Insurance objects to Investments’ name as it says that it is calculated to trade off the goodwill it has built up in the ZURICH name.

5) Insurance requests that the tribunal makes an order under section 73 of the Act requiring Investments to change its name to one which is not an offending name. It further requests that if Investments does not change its name as ordered by the tribunal it wishes the tribunal to determine a new name for the company as per section 73(4) of the Act.

6) Insurance’s legal advisors, DLA Piper, has written to Investments at its registered office requesting certain undertakings. It says that no response was received from Investments. Reference is also made to the defences set

¹ The company was incorporated on 23 February 1995 under the name Perimex Trading Company Limited. The company name was changed to Zurich Investments Limited on 13 August 1999.

out in section 69(4) of the Act, Insurance does not believe that Investments can avail itself of them.

7) Investments filed a notice of defence. It states that the company Zurich Investments Limited was initially purchased and registered on 8 November 1989 in the Isle of Man. It states that the company was also registered at Companies House on 28 February 1995 and that it has filed returns and accounts since then. It states that at the time of incorporation, the officers of Investments had no knowledge of Zurich Insurance and its affiliates and that its adoption of the name (which was available) was not reliant or sought to rely on the benevolence of, or to trade off, the goodwill of the ZURICH mark, nor was there any intention to misrepresent itself.

8) Investments states that it has never offered investment services nor can it be confused with Insurance's business. It states that it has never been mistaken or associated with Insurance nor has it used the abbreviated form ZURICH. It states that "some years back" it was involved in a Wolframite mining operation in Eastern Africa, besides participating in an operation in China manufacturing and supplying various supplementary medical items to a medical charity in the United Kingdom. It states that as a result of a third party defaulting, Investments instigated court action against the other parties in East Africa that were involved in the Wolframite mining operation.

9) Investments states that it can show that the name was first registered in 1989. It states that it is operating under the name, albeit that it is dormant at present, pending the outcome of the negotiations on the Wolframite mining operation in Africa. It intends to commence active operation, building on its past activities. It says that it has expended a great deal of costs in setting up and promoting its name. It says that it has shown that it adopted its name in good faith (this is a reference to its statement detailed in para 7 above) and that the interests of the applicant are not adversely affected. It also says that it did not receive the letter from DLA Piper.

10) Both parties filed evidence. Neither side requested a hearing. Both parties made written submissions.

Evidence of Insurance

11) This consists of a witness statement by Mr Konrad Meier. Mr Meier is a corporate legal advisor at Insurance, a position he has held for more than 4 years.

12) Mr Meier states that Insurance has built up a substantial goodwill in the United Kingdom and elsewhere in the names "ZURICH", "ZURICH INVEST", "ZURICH INVESTMENT MANAGEMENT" and "ZURICH INSURANCE". He explains that Insurance owns the goodwill in these names and licenses their use to its affiliate companies in the United Kingdom. The following facts emerge from Insurance's history as set out by Mr Meier:

- The origins of Insurance date back to 1872 when it was founded under the name Versicherungs-Verein in Zurich, Switzerland. By 1875 it had changed its name to Zurich Marine and Accident Insurance Limited.
- The ZURICH name has been used in the United Kingdom since 1922. Exhibit KM1 is an extract from a book called “Inspired by Tomorrow – Zurich – 125 years”. A reference to this 1922 milestone reads: “Establishment of a branch in Great Britain with headquarters in London”. The exhibit includes other United Kingdom references, most of which are repeated later in the evidence (see below).
- In 1924 Insurance purchased the Lancashire and Cheshire Insurance Company. Through this, Insurance became the official insurer for all the Ford Industries in the United Kingdom.
- In 1926 the English Business paper “The Journal of Commerce” stated that the United Kingdom operation of Insurance was “The only foreign insurance company which attempts to make direct invasion of any consequence in the English accident insurance market” (exhibit KM2 refers).
- In 1942 Zurich Insurance (UK) Company Limited was incorporated.
- In 1960 Insurance began to offer life insurance in the United Kingdom.
- In 1989 Zurich Reinsurance Company (UK) was established in London as a re-insurance subsidiary.
- In 1990 Zurich international companies were launched, including one in the United Kingdom.
- In 1993 Zurich introduced telephone sales for car and property insurance, concentrating on municipal employees.
- In 1993 Zurich acquired the portfolio of Municipal Mutual Insurance, and became the market leader in the municipalities segment.
- In 1997 Zurich and UK-based B.A.T. Industries merged activities in the insurance and financial services sectors to form the Zurich Financial Services Group. This is described as a world leader in risk hedging and investment management. The group focuses its business in three countries, including the United Kingdom. In 1996 the gross premium income of the amalgamated companies was US\$40 billion. In 2005, Insurance was the 3rd largest non-life insurance provider in the United Kingdom.
- The name ZURICH is wholly contained in the company names of at least 40 United Kingdom companies which are wholly owned subsidiaries of Insurance (exhibit KM3 demonstrates this). It is stated

that the vast majority were incorporated prior to 1999 (when the complained of name was incorporated on change of name).

13) Mr Meier then refers to the sponsorship and advertising undertaken by Insurance to develop its goodwill in the name ZURICH. The following facts emerge from this:

- 1996: Sponsorship of a yacht in an around-the-world yacht race. Exhibit KM4 is an extract from "Sportscan Monthly News & Comments Report" which indentifies ZURICH INSURANCE as a sponsor.
- 2001-2005: Sponsorship of the British Lions rugby team. This includes team members wearing clothing bearing the ZURICH trade mark.
- 2001-2006: Sponsorship of the English Rugby Union Premiership.
- 1995: A major advertising campaign, referred to as Top Dog, was run with a 3D poster appearing at London's Waterloo station.
- 1998-2005: Insurance spent over £60 million on advertising and promotion.
- April 2002: Launch of a £20 million television campaign referred to as the "Flying Pigs". The television voice over is said to state "ZURICH if you don't believe it, call us". A similar poster campaign was launched in June 2002.
- December 2003: ZURICH was awarded Business Super Brand status, said to be an award given to the 50 strongest business "Super Brands" in the United Kingdom.
- 2005-mid 2009: Investment of 165 million Swiss francs in the United Kingdom in the launch of a global brand. Some in-house material is provided in Exhibit KM5 relating to this campaign. The advertisements prominently use the word ZURICH below a stylised Z device.

14) Mr Meier then refers to Insurance's trade mark portfolio (Exhibit KM6 provides details obtained from the web-site of the Intellectual Property Office). It is clear that Insurance owns a large number of marks (including Community Trade Marks and United Kingdom trade marks) that consist of the word ZURICH (or Zürich) or where such a word forms part of the trade mark.

15) Mr Meier then refers to the fact that investment activities and services are one of the key functions of an insurance company. It is stated that it provides a range of investment products such as bonds and various ISA products and investment accounts. He says that these activities were conducted before 13 August 1999 (when the complained of name was incorporated on change of name). Exhibit KM7 contains a number of documents relating to one of Insurance's subsidiaries, Zurich Life Assurance Company Limited. One is a 1985 Annual Report and Accounts which states that Zurich Life is a leading

life assurance and pensions provider; it also highlights that investment activities are part and parcel of this activity. Also provided is a brochure from 1995 for ZURICH LIFE which shows the provision of similar products but also specialist investment products that customers can obtain such as the triple financial bond. The ZURICH name is featured throughout this documentation. Another brochure for ZURICH showing similar financial products is provided, but it is not possible to date this (it seems a more recent brochure).

16) The remainder of Mr Meier's evidence deals with the respondent company. There is a mixture of fact and submission. The submissions will be borne in mind and returned to later when dealing with the substantive issues. In terms of factual evidence, this includes the following:

- A copy of a certificate of incorporation on a change of name (dated 13 August 1999) obtained from Companies House showing that company number 3025539 changed its name from Perimex Trading Company Limited ("Perimex") to Zurich Investments Limited. (This is the respondent company).
- Details from the Isle of Man Companies Registry showing that a company (046624C) called Zurich Investments Limited was incorporated there in 1989 but dissolved in 1994. Mr Meier highlights that this is a different legal entity to company 3025539. He also states that it is not possible to confirm the identity of the directors or shareholders of this company.
- Details of another company (03027313) that was incorporated at Companies House in February 1995 as Zurich Investments Limited, which changed its name to African Metals Limited in August 1999. Mr Meier highlights that this, also, is a separate legal entity to company 3025539. He also highlights that this company has not filed returns and accounts to date, that it was dissolved in 2004, and that it only once filed trading accounts. The trading accounts appear to have been filed in the year ending 1997 when the company was still called Zurich Investments Limited; the turnover for that year was £123,619.
- Information from Companies House showing that Investments is a dormant company and that it has only once filed small company accounts but, this was when it was incorporated under its previous name of Perimex.
- That Insurance's investigators, Farncombe International ("Farncombe"), found two domain names held by Investments (zurichinvestments.co.uk and zurichinvestments.org.uk) but that the underpinning websites were inactive.
- Photographs of the premises of Investments' registered office, including the intercom system. Neither show any reference to Investments.

- Farncombe found no evidence of Investments being involved in mining in East Africa. Neither Farncombe nor DLA Piper has found any evidence to show that Investments has been involved in any litigation in the United Kingdom. Farncombe have found no evidence of promotion or advertising of the company name.
- Insurance highlights that in previous Company Name Tribunal cases (with unrelated parties) Farncombe found evidence of fraud by the companies concerned which was intended to lull members of the public into believing that the company was connected with Insurance. This is why Insurance is concerned with the name of Investments.

Evidence of Investments

17) This consists of a witness statement made, jointly, by Benito Pereira and William Kennedy, both of whom are directors of Investments.

18) It is stated that the decision to form a company was made in 1989. The background to this is that an associate of theirs (presumably an associate of Messrs Pereira and Kennedy), the CEO of Trice International (who operate out of Basle in Switzerland), had contacts in Uganda who were mining various mineral ores and who were seeking a partner company. They (presumably Messrs Pereira and Kennedy) then met with their accountants and agreed to proceed with the formation of a company to facilitate this. They were advised that they (presumably the accountants) had a shelf company (Zurich Investments Limited) available. Instructions were given to proceed and the company was registered on 8 November 1989 and it commenced trading thereafter. Exhibit A shows an Isle of Man certificate of incorporation for Zurich Investments Limited (company number 46624).

19) It is stated that in 1995 it was discovered that the Isle of Man company, through a fault of its accountants, had not kept up with the filing of annual renewal/subscriptions. A request to re-register the company (which presumably was dissolved – Insurance’s evidence refers to its dissolution) was unsuccessful due to the use of the word INVESTMENTS in the name, which, subsequent to the initial incorporation, was no longer acceptable. Exhibit B (a letter from Waterlow Company Services to Perimex dated 28 February 1995) and C (a letter from Benito Pereira to the Isle of Man companies section dated 3 March 1995) corroborate this.

20) Subsequent to the above, the name Zurich Investments Limited was then registered in the United Kingdom. Exhibit D shows a certificate of incorporation for this name in respect of company number 3027313 dated 28 February 1995. It is stated that prior to this Zurich Investments Limited (presumably the Isle of Man company) had been registered with the Ugandan Mining Authorities and the name was published and advertised to relevant parties in the mining community locally (presumably in Uganda).

21) It is stated that in due course purchases and shipments of mineral ore were made and received. However, some years later the supply partners in

Uganda had difficulties in fulfilling their part of the agreement. This led to litigation between them. It is stated that the courts found for Zurich Investments Limited but the judgment has been difficult to enforce in Uganda and that the defendants are still being actively pursued for compensation.

22) It is stated that Investments was advised by solicitors to protect the goodwill built up in East Africa and that it would, therefore, be prudent to re-register Zurich Investments Limited “so as not to compromise that goodwill whilst persisting with matters relating to our outstanding court order”. This “re-registration” took place in August 1999 when company number 3025539 changed its name from Perimex to Zurich Investments Limited (exhibit E, a Companies House certificate of incorporation on change of name, demonstrates this). It is this company name registration to which Insurance objects. It is stated that it may be possible to resume its business in Uganda and that this will be dealt with through this company.

23) It is stated that the respondent, Zurich Investments Limited, has held the registration of the name continuously and in succession since 1989.

24) The rest of the evidence is, in the main, submission rather than fact. It is, though, stated that there was no intention when the company was formed (20 years ago) to trade off Insurance’s goodwill. Investments highlights that its SIC code relates to a business established for trading and related purposes and not to financial matters. It is stated that it has not provided insurance or financial products. It is stated that there would never be an association between Insurance and Investments – reference is made to a dispute between McDonalds and McCurry in Asia to illustrate this. A hypothetical example of British Gas and British Telecom is also given. It is also questioned why it has taken over 20 years for Insurance to take action against it.

25) It is stated that trade has been carried out. Exhibit G shows three documents, a letter, a bill of lading and an invoice, all of which feature Zurich Investments Limited as one of the parties to the relevant transaction. The documents are dated October 1995, June 1996 & July 1996 respectively. The dates of these documents mean that the company in question is company number 3027313 and not the company the subject of these proceedings. Reference is made to the applicant itself not trading from time-to-time. The evidence of this stems from the company details for a company called Zurich Insurance Company (UK) Ltd which shows a non-trading designation (Exhibit H); this is not the applicant company.

26) It is stated that the office of Investments is open and manned from 8am to 6pm, Monday to Friday (except holidays) and has been so since 2002. It is stated that there is no evidence of the attempt to deliver the letter of 22 January 2009 that was supposedly sent to it.

27) It is stated that no registration in the public register could be found for Zurich Insurance Company Limited. Reference is made, again, to Exhibit H showing the company details for Zurich Insurance Company (UK) Limited and its non-trading designation, also highlighted is its other designation “other

business activities". It is highlighted that it is not registered to offer financial or insurance services.

Insurance's reply evidence

28) This comes, again, from Mr Meier. Much of this second witness statement is in the form of submission/critique of Investments' evidence. Whilst this will be borne in mind, it will not be summarised here. In terms of factual evidence the main points are:

- That the other companies referred to in Investments' evidence are different legal entities but, in any event, Insurance had a trade mark portfolio prior to the incorporation of the first company (the Isle of Man Company). Details of two United States trade marks, an International trade mark and a Benelux trade mark are provided (Exhibit KM13), and, also, a trade name registration in Spain (Exhibit KM14). Reference to United Kingdom trade mark 1398624 (Z ZURICH INSURANCE) is also made the details of which were provided in Exhibit KM6 of Mr Meier's first witness statement; the trade mark was filed before November 1989. Further reference is made to the evidence of goodwill/reputation in the first witness statement.
- To further demonstrate the link between Insurance's business and investment activities, at exhibit KM15 a *Google* search report is provided for a worldwide search for the term *zurich investments*. *Google* brought back 1.9 million hits. The first page is provided showing what appear to be references to Insurance, or its affiliate companies, and which also refer to investment plans/funds etc.
- Exhibits KM16 & 17 relate, again, to the Super Brand status of Insurance and its ZURICH mark.
- Mr Meier explains that Insurance is a Swiss company and Exhibit KM18 is a print from the Swiss commercial register appearing to show this. This only "appears" to show this because no translation of this document (which is in German) has been provided. Mr Meier also highlights that Insurance appears on the Companies House database as an overseas company (Exhibit KM19 supports this).
- In terms of the missing letter sent to Investments, it is stated that as the only notification one receives from Royal Mail is when something cannot be delivered, it is difficult to prove that the letter was actually delivered.

29) Evidence also comes from Mr Damian Herrington, a solicitor at DLA Piper. Mr Herrington describes the difficulty a courier had in delivering Mr Meier's second witness statement to Investments. The courier attempted delivery but the receptionist at Investments' registered address had not heard of Zurich Investments Limited, neither had one of her colleagues who had, apparently, worked there for over 15 years. Mr Herrington then suggested

that the courier mention the names of Messrs Pereira and Kennedy. The receptionist found these names on a list of people working at that address and then took delivery of the evidence given that Messrs Pereira and Kennedy were not present to take delivery themselves. Mr Herrington says that this is further evidence that the respondent has no defence under section 69(4)(b) of the Act.

Decision

30) Section 69 of the Act states:

“(1) A person (“the applicant”) may object to a company’s registered name on the ground—

(a) that it is the same as a name associated with the applicant in which he has goodwill, or

(b) that it is sufficiently similar to such a name that its use in the United Kingdom would be likely to mislead by suggesting a connection between the company and the applicant.

(2) The objection must be made by application to a company names adjudicator (see section 70).

(3) The company concerned shall be the primary respondent to the application.

Any of its members or directors may be joined as respondents.

(4) If the ground specified in subsection (1)(a) or (b) is established, it is for the respondents to show—

(a) that the name was registered before the commencement of the activities on which the applicant relies to show goodwill; or

(b) that the company—

(i) is operating under the name, or

(ii) is proposing to do so and has incurred substantial start-up costs in preparation, or

(iii) was formerly operating under the name and is now dormant; or

(c) that the name was registered in the ordinary course of a company formation business and the company is available for sale to the applicant on the standard terms of that business; or

(d) that the name was adopted in good faith; or

(e) that the interests of the applicant are not adversely affected to any significant extent.

If none of those is shown, the objection shall be upheld.

(5) If the facts mentioned in subsection (4)(a), (b) or (c) are established, the objection shall nevertheless be upheld if the applicant shows that the main purpose of the respondents (or any of them) in registering the name was to obtain money (or other consideration) from the applicant or prevent him from registering the name.

(6) If the objection is not upheld under subsection (4) or (5), it shall be dismissed.

(7) In this section "goodwill" includes reputation of any description."

31) An applicant must establish that it has a goodwill in relation to a name that is the same, or sufficiently similar, to that of the respondent's company name such that its use in the United Kingdom would be likely to mislead by suggesting a connection between the company and the applicant. If this burden is fulfilled it is necessary to consider if the respondent can pray in aid defences under section 69(4) of the Act.

32) Section 69(7) defines goodwill as a reputation of any description. Consequently, in the terms of the Act it is not limited to Lord Macnaghten's classic definition in *IRC v Muller & Co's Margarine Ltd* [1901] AC 217:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has power of attraction sufficient to bring customers home to the source from which it emanates. Goodwill is composed of a variety of elements. It differs in its composition in different trades and in different businesses in the same trade. One element may preponderate here and another element there. To analyse goodwill and split it up into its component parts, to pare it down as the Commissioners desire to do until nothing is left but a dry residuum ingrained in the actual place where the business is carried on while everything else is in the air, seem to me to be as useful for practical purposes as it would be to resolve the human body into the various substances of which it is said to be composed. The goodwill of a business is one whole, and in a case like this it must be dealt with as such. For my part, I think that if there is one attribute common to all cases of goodwill it is the attribute of locality. For goodwill has no independent existence. It cannot subsist by itself. It must be attached to a business. Destroy the

business, and the goodwill perishes with it, though elements remain which may perhaps be gathered up and be revived again."

33) In the above definition reference is made to locality. A key difference, in English law, between goodwill and reputation is that goodwill is situate in the jurisdiction. It is possible to have a reputation in a jurisdiction but if there is, or has been, no business in the jurisdiction then there is no goodwill. Under the terms of the Act goodwill encompasses reputation at large and so does not need to be situate in the jurisdiction. As reputation is wider than the traditional meaning of goodwill, if Insurance establishes that it has or had a goodwill (in the traditional sense) which is associated with the name ZURICH it will, *a fortiori*, have a goodwill in the terms of the Act.

34) The applicant must show that it has a goodwill or reputation under the name at the date of the application, in this case 23 March 2009. However, if this is established, the respondent will have a prima facie defence if it can establish that the name was registered prior to the commencement of the activities upon which the applicant relies, as per section 69(4)(a) of the Act. This is not the same as establishing that the goodwill or reputation must have been established before the name was registered; such an approach would militate against a successful application being brought where a company name was registered in anticipation of a goodwill or reputation being established. The position in terms of any relevant goodwill at an earlier date may also factor upon the other defences.

35) It is a defence for the respondent under section 69(4)(e) if it is decided that "the interests of the applicant are not adversely affected to any significant extent". Consequently, a goodwill or reputation of little or no commercial significance would not be sufficient. In deciding whether the evidence of an applicant establishes a goodwill of commercial significance, it is to be expected that material is exhibited that shows use of the name upon which the applicant relies prior to the date of the application. To that extent, Insurance's evidence sets out a long history as a multi-national business which first emanated in Switzerland. It has had some form of presence in the United Kingdom since the 1920s. A key milestone seems to have come in the 1960s when it began to offer life insurance in the United Kingdom. Another milestone came in 1993 with the takeover of Municipal Mutual Insurance and then, in 1997, with the merger of activities with B.A.T. and the formation of the Zurich Financial Services Group. In 1996 the gross combined turnover of these two companies was \$40billion. It has also run some key advertising campaigns and sponsorship activities, certainly from 2000 onwards. It won a Super Brand Award in 2003, other recipients of this award are all household names. There is a gap in the evidence, though, because there is no evidence of United Kingdom turnover for any given period, nor numbers of policy holders or customers. It is stated, though, that in 2005 Insurance was the third largest non-life insurance provider in the United Kingdom. The evidence as a whole paints a compelling picture that, as of 23 March 2009, Insurance was a well-known and successful provider of insurance and other related financial products.

36) The various brochures and documents exhibited by Insurance show that the word ZURICH is an integral part of its public facing signage. Although the use of this word is often accompanied by a stylised letter Z, this does not prevent the word ZURICH itself from being associated with its goodwill. On the contrary, the evidence shows that the business is referred to as ZURICH. This is the name by which it is known. The one caution that should be expressed before coming to a finding relates to the fact that Zurich is a city in Switzerland known for being a financial centre. The significance of this is that the sign ZURICH may not be distinctive of Insurance and it may be seen purely as an indication of the geographical origin of the service provider. The evidence shows that this was not the case at the date of Insurance's application, by which date consumers of financial services in the United Kingdom would have primarily associated Zurich with Insurance's financial business. By this time Zurich's reputation as a financial centre would have been of only a secondary significance. **At the material date of 23 March 2009, Insurance possessed a goodwill with reference to the word ZURICH. The goodwill relates to the provision of insurance and other related financial services.**

37) The requirement of section 69(1)(a) of the Act is that the company name is the same as a name associated with the applicant in which it has goodwill. In this case the name associated with Insurance is ZURICH, the company name to which it objects is ZURICH INVESTMENTS LIMITED. Nothing turns upon whether the names are written in upper case or title case as the Act relates to the name and not a particular graphical form of a name. There are, though, two differences between the names: (1) the presence of the word INVESTMENTS in the company name and, (2) the presence of the word LIMITED in the company name. In relation to the latter, a name must be identified by a reference to the designation of the nature of the company (with certain exceptions), in this case, as Investments is not a Welsh private limited company: limited or ltdⁱ. An undertaking cannot trade by reference to a company name under which it is not incorporated and, under section 66 of the Act, identical company names cannot be registered. Taking this into account, section 69(1)(a) of the Act would be virtually redundant if it requires the name upon which the applicant relies to include the designation of the nature of the companyⁱⁱ. For the purposes of section 69(1)(a) a company name and the name associated with an applicant are the same if the only difference arises is from the designation of the nature of the company, so in this case the presence of the word LIMITED, of itself, does not prevent a finding that the names are the same.

38) The second difference is the presence of the word INVESTMENTS. Whether a name is identical has been dealt with in the jurisprudence (particularly that relating to trade mark law) on a number of occasions. Although the Act refers to whether the names are the same (as opposed to identical) the rationale can be applied by analogy. In terms of the jurisprudence, the comments of Jacob LJ in *Reed v Reed* [2004] EWCA Civ 159 are particularly relevant:

“39. Putting it another way, I do not think the additional words “Business Information” would “go unnoticed by the average consumer.” In all uses of the phrase complained of they are as prominent as the word “Reed.”

40. In so holding I am not saying that in some circumstances the average consumer could not assume that “Reed Business Information” is connected with Reed Employment or an organisation called “Reed.” But these would be cases of similarity of mark and sign, not identity.”

39) “Reed” and “Reed Business Information” were not considered identical by Jacob LJ. For similar reasons “Zurich” and “Zurich Investments Limited” are not the same. **Consequently, the claim under section 69(1)(a) of the Act must fail.**

40) Insurance pleads, as an alternative, under section 69(1)(b) of the Act. The requirement here is that the company name (Zurich Investments Limited) is sufficiently similar to such a name (Zurich) that its use in the United Kingdom would be likely to mislead by suggesting a connection between the company and the applicant. Investments comments on its own business conducted prior to the company becoming dormant. It also comments on the indication on the companies register of its principal business activity (trading and related purposes) and highlights that this is not a financial service. Whilst in trade mark law and the law of passing-off, whether goods or services are similar or identical or whether there is a common field of activity can be determinativeⁱⁱⁱ, the area of business in which Investments actually operates (or have or intend to operate) in comparison to Insurance cannot be a determinative factor in deciding whether the company name is *prima facie* caught by section 69(1)(b). Under section 855(1)(b) of the Act a company is only required to list its principal business activities, the nature of the business recorded for the company does not restrict it to this principal business activity. So Investments is not limited in any way to the activities it can provide. The nature of Investments’ name is, therefore, the only real factor to consider under this head. The name consists of the words ZURICH INVESTMENTS LIMITED. This is clearly similar to the name ZURICH, particularly when one considers the descriptive nature of the word INVESTMENTS and, also, that the word LIMITED serves only to designate the nature of the company. The name must be one capable of misleading by suggesting a connection between the company and the applicant. The connection becomes clear and apparent when one bears in mind that ZURICH is a sign associated with the provision of financial services from Insurance and that investment can form part and parcel of an insurance or other financial service. **The names are sufficiently similar so that the use of Zurich Investments Limited in the United Kingdom would be likely to mislead by suggesting a connection between Investments and Insurance.**

41) The business operated (previously or intended) by Investments compared to that of Insurance may have a bearing on the overall outcome of the application. The circumstances could factor upon the defences that the Act

provide e.g. that the name was registered in good faith or that the company name will not cause the applicant significant harm.

Defences

42) Insurance has satisfied the requirements of section 69(1)(b) of the Act. However, the Act provides a number of defences of which a respondent can avail itself. We will now consider whether Investments has shown that it has a defence under the Act. For convenience, the defences are repeated below:

“a) that the name was registered before the commencement of the activities on which the applicant relies to show goodwill; or

(b) that the company—

(i) is operating under the name, or

(ii) is proposing to do so and has incurred substantial start-up costs in preparation, or

(iii) was formerly operating under the name and is now dormant; or

(c) that the name was registered in the ordinary course of a company formation business and the company is available for sale to the applicant on the standard terms of that business; or

(d) that the name was adopted in good faith; or

(e) that the interests of the applicant are not adversely affected to any significant extent.”

43) There is neither claim nor anything in the evidence to suggest that Investments can rely upon the defence under section 69(4)(a). This would require that the name was registered before the commencement of Insurance’s business activities - given the length of time that Insurance has traded in the United Kingdom this defence cannot apply. Similarly, in relation to the defence under section 64(4)(c), there is no suggestion that the name of the current company was registered in the ordinary course of a company formation business nor that the company is available for sale to Insurance on the standard terms of a company formation business.

Defence under section 69(4)(b) of the Act – the company is operating under the name (or is proposing to do so, or has formally done so)

44) This defence relates to the company operating under the name, or that it is proposing to do so, or that it has formerly done so. One of the key points of the legislation is that “operating” in this context relates to the company that is the subject of the complaint. This is relevant because the only evidence of a company actually operating under the name Zurich Investments Limited

comes from the period 1995-1996. This means that the company operating was company number 3027313 and not Investments (i.e. company number 03025539). As Insurance points out in its written submissions, a corporate body has its own legal personality. It is a distinct legal entity separate from any other company including those which Investments considers to be part of its succession. The fact that there may be common directors or shareholders does not affect this proposition. As far as the evidence goes, there is nothing to suggest that Investments (company number 03025539) has ever operated under the name. Investments was registered (by way of change of name) in 1999. There is no evidence of the company operating under the name from its registration to date. Investments (company number 03025539) is not, therefore, operating under the name, nor has it formally done so. **Any defence under sections 69(4)(b)(i) & (iii) must, therefore, fail.**

45) It is a defence under section 69(4)(b)(ii) if the company is proposing to operate under the name and that it has incurred substantial start-up costs in preparation for so doing. The defence relates, again, to the company the subject of the complaint (company number 03025539). Investments says that it may be possible to resume its business in Uganda and the company will be the one under which it will operate. These circumstances do not appear to be ones capable of sustaining a defence under this part of the Act. The defence requires the company to have expended substantial start-up costs in preparation for its plan to operate under the company name. There is nothing in the evidence to demonstrate that Investments has expended any costs, let alone substantial ones. Any costs would have had to relate to its preparations to operate under the company name and, again, there is no evidence that Investments has done any preparatory work. Whilst Investments believes that it may be possible to operate in the future under the company name, such a belief alone does not amount to a defence. **The defence under section 69(4)(b)(ii) must, therefore, fail.**

Defence under section 69(4)(e) of the Act - the interests of the applicant are not adversely affected to any significant extent

46) Section 69(4)(e) of the Act provides a defence if the interests of the applicant are not adversely affected to any significant extent. The terms of the defence are written in the present tense. An application to the tribunal can be made at any time, there is no time limit to lodge an objection to a company name. An application could be made where at the time of the registration of the company name the interests of the applicant were adversely affected, however, by the time of the application they no longer are. It would be perverse to deny a defence that relates to the position at the date of the application, where the ill had already been cured. In relation to section 69(4)(e) the matter should be judged at the date of filing of the application; in this case, 23 March 2009.

47) To adversely affect the interests of the applicant to any significant extent the company name must do more than just sit on the register at Companies House. In this case, the adverse effect must relate to the potential use of the company name in business. As stated earlier, a company is not limited to its

principal activities (as recorded with Companies House) but it may operate in any business area, including the provision of financial services. The reputation of a financial services company can rise and fall on the basis of its reputation. To that extent, if the public connect Investments with Insurance and the former undertakes poorly judged activities in the same field then such activities could significantly affect the reputation of the latter.

48) Even if the analysis were made in relation to Investments' proposed business activity (acting as a partner in a Ugandan mining operation) the use of the company name could indicate that Investments is an investment partner in such an operation. Insurance, in its evidence, sets out and describes the link between insurance services and investment activities. The premiums of policyholders will often be invested to ensure that the policy matures as promised. Against that background, if a company perceived as being connected with Insurance made risky or ill judged investment decisions then this could significantly affect the reputation of Insurance. Whilst the activities undertaken by the previous incarnations of the respondent company were not necessarily ill-judged, the fact that they have stalled due to difficulties with other partners highlights the problem. This could have a negative impact on Insurance. **Investments has not established that as of 23 March 2009 the interests of Insurance would not be adversely affected to any significant extent by the use of the company name.**

Defence under section 69(4)(d) of the Act - the name was adopted in good faith

49) The issue of good faith turns upon the respondent's motivation and knowledge when the company was registered under the name that is being challenged. The company name was registered by way of change of name (from Perimex) on 13 August 1999. Actions after this date may be indicative of the motivation and knowledge of the respondent; however, they cannot change the nature of the act.

50) In 1) *Adnan Shaaban Abou-Rahmah* (2) *Khalid Al-Fulaij & Sons General Trading & Contracting Co v* (1) *Al-Haji Abdul Kadir Abacha* (2) *Qumar Bello* (3) *Aboubakar Mohammed Maiga* (4) *City Express Bank of Lagos* (5) *Profile Chemical Limited* [2006] EWCA Civ 1492 (CA), Rix LJ commented upon the concept of good faith:

"48 The content of this requirement of good faith, or what Lord Goff in *Lipkin Gorman* had expressed by reference to it being "inequitable" for the defendant to be made to repay, was considered further in *Niru Battery*. There the defendant bank relied on change of position where its manager had authorised payment out in questionable circumstances, where he had good reason to believe that the inwards payment had been made under a mistake. The trial judge had (a) acquitted the manager of dishonesty in the *Twinsectra* or *Barlow Clowes* sense on a claim of knowing assistance in breach of trust, but (b) concluded that the defence of change of position had failed. On appeal the defendant bank said that, in the absence of dishonesty, its

change of position defence should have succeeded. After a consideration of numerous authorities, this court disagreed and adopted the trial judge's broader test, cited above. Clarke LJ quoted with approval (at paras 164/5) the following passages in Moore-Bick J's judgment:

"I do not think that it is desirable to attempt to define the limits of good faith; it is a broad concept, the definition of which, in so far as it is capable of definition at all, will have to be worked out through the cases. In my view it is capable of embracing a failure to act in a commercially acceptable way and sharp practice of a kind that falls short of outright dishonesty as well as dishonesty itself."

51) In (1) *Barlow Clowes International Ltd. (in liquidation)* (2) *Nigel James Hamilton and (3) Michael Anthony Jordon v (1) Eurotrust International Limited (2) Peter Stephen William Henwood and (3) Andrew George Sebastian* [2006] 1 WLR 1476 the Privy Council considered the ambiguity in the *Twinsectra Ltd v Yardley* [2002] 2 AC 164 judgment. The former case clarified that there was a combined test for considering the behaviour of a party: what the party knew at the time of a transaction and how that party's action would be viewed by applying normally acceptable standards of honest conduct.

52) In its submissions Investments highlights that it first adopted the company name in 1989 intending to, and succeeding in, trading in a very different area to that of Insurance. It submits that as its knowledge of the applicant was mainly after the "*Alfred Dunbar Affair*", which was some years after the respondent was established, it submits that this could hardly be considered as an opportunistic decision to adopt the name. The *Alfred Dunbar Affair* is a reference to some apparent complaints made against Insurance that Investments became aware of, between the years 2001 and 2003.

53) In its submissions Insurance argues that there is no evidence of good faith. It submits that the existence of a now dissolved foreign shelf company (the Isle of Man company) is not evidence of good faith. It submits that given the size of its reputation, the registration of the company name is indicative of bad faith rather than good.

54) The good faith defence relates to the registration of the company name in 1999, however, it is relevant to take into account the previous companies that have been incorporated under the name. This is because the earlier circumstances may assist in informing as to the motivation of the respondent when registering the company name in 1999. Investments claims that it has a succession in title with regard to the company name going back to 1989. Insurance argues that this is not proven because there is no evidence of common directorship and that, in any event, the existence of the earlier companies is not evidence of good faith. In relation to the former argument, whilst there is no specific evidence of common directorship, there is evidence which shows the names of Messrs Pereira and Kennedy in relation to the abandonment of the Isle of Man company. There is also evidence showing

the name of Mr Pereira in relation to the business activity undertaken by the company registered in 1995. On the basis of this evidence, and the unchallenged evidence that Messrs Pereira and Kennedy are the directors of the respondent company, it can be accepted that they are the controlling minds behind not only the respondent company, but also behind the Isle of Man company and the company registered in 1995. The narrative they give in evidence supports all of this.

55) In its counterstatement Investments denies knowing of Insurance and its sign ZURICH when it first registered the company in 1989. Messrs Pereira and Kennedy claim that there has never been an intention to misappropriate the goodwill of Insurance. They do not, though, explain how they came upon the choice of the company name. It appears that the first company, the Isle of Man company, was a shelf company. A shelf company is normally already named when purchased by a business. The name can, of course, be changed but there is no suggestion that this has been done. Messrs Pereira and Kennedy appear, therefore, to have taken the shelf company and run with it. Irrespective of this, the taking of a shelf company registered under a particular name which would obviously have traded off a well known business' reputation would be unlikely to equate to an act made in good faith. However, the nature of Insurance's goodwill at this point also needs to be borne in mind. Whilst it clearly had a business with goodwill in the United Kingdom in 1989, many of the key milestones had not occurred at this point. Neither had the high profile advertising activities referred to in Insurance's evidence taken place. At this point in time, whilst some parts of the public will have heard of Insurance and its business conducted under the Zurich sign, to many others the word Zurich would, instead, have simply meant the city in Switzerland, known as a financial centre. This is important because the essence of a complaint under section 69 of the Act is that the registrant has taken opportunistic advantage of the reputation of the complainant. On the basis of the evidence before the tribunal, there is no reason to believe that the initial purchase of the Isle of Man shelf company under the name Zurich Investments Limited was intended to take advantage of Insurance's reputation at that time or that it was done in anything other than good faith.

56) The situation is similar in 1995 when the second Zurich Investments Limited (company 03027313) was incorporated. Although by this time further milestones had been reached in the history of Insurance (such as the acquisition of Municipal Mutual Insurance), the extent of Insurance's goodwill was not what it is today and the incorporation of this second company was directly linked to the loss of the Isle of Man company. Again, there is nothing in this to suggest that this incorporation was anything other than in good faith. This company went on to trade, albeit for a short time. The company filed accounts and the evidence shows some documentation to illustrate its trading activity. There is nothing in any of this that suggests that the company was attempting to trade off the reputation of Insurance.

57) Irrespective of the above, even if the Isle of Man company name and the 1995 company name were adopted in good faith, its re-adoption in 1999 by the controlling minds behind the respondent could still amount to something

other than good faith if the intention was (or partly was) to take advantage of Insurance's goodwill. By 1999 Insurance would likely have had a greater degree of public awareness given the creation of the Zurich Financial Services Group. Some of its advertising activities would also have taken place, but some of its high profile sponsorship and advertisement activities were yet to come. However, it is clear from the evidence that the incorporation on change of name in 1999 was part of a swap around of two company names. Company 03027313 (the 1995 company mentioned above) changed its name from Zurich Investments Limited to African Metals Limited, whilst company 03025539 (the respondent) changed its name from Perimex to Zurich Investments Limited. This appears more of an administrative process relating to the names of two companies under common control. The exact reason for the swap around is not altogether clear. That being said, it is clear that Messrs Pereira and Kennedy regarded it as important and that they regarded it as simply a continuation of their business interests.

58) The adoption of Investments' company name in 1999 therefore seems more coincidence than conspiracy. The motivation behind the incorporation is the continuance of a company name which the controlling minds behind the respondent had held (at the material date) for ten years. Even though at the material date Insurance was more widely known than it was in 1989, there is nothing to suggest that the motivations in 1999 reflect anything other than good faith. **The respondent has a defence as the company name was adopted in good faith. In accordance with section 69(6) of the Act the objection to Investments' registered name is dismissed.**

59) Investments having been successful is entitled to a contribution towards its costs on the basis of the scale of costs given in practice notice 01/08. I order Zurich Insurance Company to pay Zurich Investments Limited costs on the following basis:

Preparing a statement and considering the other side's statement.	£150
Preparing evidence and considering and commenting on the other side's evidence.	£400
Preparing written submissions	£150
Official fees	(a) Fee for notice of defence: £150 (b) Fee for filing evidence: £150
Total	£1000

60) The above sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

61) Any notice of appeal against this decision must be given within one month of the date of this order. Appeal is to the High Court in England, Wales and Northern Ireland and to the Court of Session in Scotland. The tribunal must be advised if an appeal is lodged.

Dated this 18th day of June 2010

Oliver Morris

Allan James

David Landau

Company Names
Adjudicator

Company Names
Adjudicator

Company Names
Adjudicator

ⁱ Section 59(1) of the Act.

ⁱⁱ An exception to this could occur where an applicant has ceased trading by reference to a company name, the company has been removed from the register of companies and the applicant has a residual goodwill.

ⁱⁱⁱ *Harrods v Harrodian School* [1996] RPC 697 Millett LJ:

“The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration.”

and

“The name "Harrods" may be universally recognised, but the business with which it is associated in the minds of the public is not all embracing. To be known to everyone is not to be known for everything.”