

O-056-15

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO. 2277183
IN THE NAME OF URGO LIMITED
OF THE TRADE MARK**

KO-FLEX

**AND THE APPLICATION FOR CANCELLATION THERETO UNDER NO. 500129
BY ANDOVER HEALTHCARE INC**

Background and the pleadings

1. These proceedings concern an application made by Andover Healthcare Inc (“the applicant”) to cancel a trade mark registration in the name of Urgo Limited (“the proprietor”). The trade mark in question is KO-FLEX, which was applied for on 4 August 2001 and was registered on 18 January 2002. Following a partial surrender requested on 23 December 2014, the mark is registered for *compression bandages for medical purposes for human use*. The specification before the surrender was *compression bandages for medical purposes*.

2. The application is made under section 47(2)(b) of the Trade Marks Act 1994 (“the Act”), which states:

“(2) The registration of a trade mark may be declared invalid on the ground—

(a) ...

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

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

3. The applicant makes its case under Section 5(4)(a) of the Act, which states:

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

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

(b)...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

4. In its statement of grounds, the applicant claims that it has been using the sign COFLEX throughout the UK since 1 January 1999 on bandages. At the time of the application for registration of KO-FLEX, the applicant states that COFLEX (and its variants CO-FLEX and Co-Flex) was an earlier right which entitled it to prevent the use of KO-FLEX in the UK. The applicant states that it made preparations to trade under COFLEX in the UK in 1996 when it filed for a European Patent for an elastic bandage and that the patent application refers to CO-FLEX and Co-Flex. The applicant states that, towards the end of 1998, it appointed a European Authorized Representative with effect from 1 January 1999 in order to comply with Council Directive 93/42/EEC, the Medical Devices Directive. The applicant states that the purpose of appointing the representative was to register the details of the applicant’s medical products with the appropriate European authorities, which included the sign

COFLEX in relation to bandages. The applicant states that, in 1999, it achieved UK sales of around US\$100,000 in relation to bandages sold under its sign.

5. The proprietor denies the applicant's claim, stating that, in December 1999, it commenced selling bandages to the UK market under the trade mark KO-FLEX.

6. Both sides filed evidence and the matter came to be heard before me on 13 January 2015 by video conference. Ms Lindsay Lane of Counsel, instructed by Bird & Bird LLP, represented the applicant. Mr Matthew Harris, of Waterfront Solicitors LLP, instructed by Novagraaf UK, represented the proprietor.

Preliminary points

7. On 23 December 2014, the proprietor filed a request to file further evidence. Attached to its request were two draft witness statements (but none of the exhibits referred to). I dealt with the request as a preliminary point at the hearing on 13 January 2015. I allowed the filing of one witness statement, that of Graeme Francis. This was to meet a challenge made in the applicant's submissions-in-reply to the effect that the present proprietor did not own the goodwill in KO-FLEX. Ms Lane, although objecting to its admission, helpfully said that the applicant would not seek an adjournment and would not need to reply to Mr Francis' statement.

8. I refused to allow the admission of the other witness statement, by David Baldock. If the proprietor considered that the applicant's evidence-in-reply was not strictly in reply, it should have said so in October 2014, when it was filed. It should have requested leave to file further evidence at that stage. Mr Harris informed me that the lateness of the request, two months after the close of the evidence rounds and so close to the hearing was because his instructing attorneys had not received instructions until then, although it appeared the proprietor had considered the issue in late October/early November. In my view, the draft filed on 23 December 2014 was hastily put together and mostly went to the current position in the market. It did not help to clarify as to whether there is a cross-over between the veterinary and medical (as in 'human') markets for bandages. I was also concerned that, having asked on 23 December 2014 for a considerable discretion to be exercised in allowing the evidence to be admitted and sending me a draft witness statement, the final version which was sent on 9 January 2015 differed substantially and materially from the first version. The reason appeared to be that the information had not been available on 23 December 2014. Allowing its admission would have meant adjournment. Notwithstanding the implications for further litigation created by *William Evans and Susan Mary Evans (a partnership trading together as Firecraft) v Focal Point Fires Plc* [2009] EWHC 2784 (Ch), a point which I have carefully considered, it was, in my view, an extremely tardy request, not supported by compelling reasons, differed from the draft accompanying the request without pointing out that fact, and was vague in content.

9. Ms Lane asked for permission to amend the date of first use pleaded in the application to 'in or about 1990', as opposed to 1 January 1999, which she said was a mistake. Mr Harris resisted the application. The applicant's evidence clearly went to the position in 1990 and the rest of the 1990s, and the proprietor had replied to it. Those dates were clearly in issue. It would be incongruous to suggest that the

inclusion of a considerable amount of detail about the 1990s in the applicant's evidence was 'by the by', and that the applicant did not mean for it to form part of its case. Whilst it is regrettable that the mistake was not noticed earlier, given the above, I allowed the amendment.

The evidence

10. The applicant's evidence-in-chief comes from Thomas Murphy, who is the applicant's Chief Executive Officer and President.

11. Mr Murphy states that the applicant sold bandages under the name CO-FLEX in America and, in 1990, made preparations to promote and sell CO-FLEX bandages in the UK. Millpledge Healthcare Limited ("Millpledge") was appointed as the applicant's UK distributor. Exhibit TM01 shows correspondence between Millpledge and the applicant in June and July 1990 which refers to the business relationship and the first order for CO-FLEX:

"Andover will extend to Millpledge exclusive sales right for CO-FLEX in the veterinary market in the U.K. of Great Britain for one year."

12. Mr Murphy states that Millpledge began an extensive advertising campaign of CO-FLEX products in the UK in various veterinary and equine journals. A fax exhibited at TM02 was sent on 9 August 1990 from Millpledge to the applicant confirming receipt of CO-FLEX advertising literature. The fax refers to CO-FLEX being advertised in veterinary and equine journals and press. Invoices for repeat orders of CO-FLEX bandages made between 1990 and 1992 are shown in exhibit TM03. A fax shown as exhibit TM04, dated 1 February 1991, from Millpledge to the applicant begins "Re: CO-FLEX. Very pleased to advise that we would like to place another order..... now we are beginning to motor with the 3" proving very popular." Another fax from around this time is shown in exhibit TM05, whereby Millpledge raised technical queries arising from customer feedback, comparing CO-FLEX to a competitor's product called Vetrap.

13. Mr Murphy states that the applicant engaged VetLab supplies in 1990 to publicise CO-FLEX products in the UK market. Exhibit TM06 is a copy of a fax from Vetlab Supplies dated 27 July 1990 about an advertising drive and an advertisement placed in Horse & Hound magazine, and a newsletter sent to 7,200 practising vets in the UK. A copy of the magazine article is included in the exhibit. Another fax (exhibit TM07) refers to the only competitor being 3M's Vetrap. The fax refers to the prospective appointment of an outlet supplying vets and the horse owner business, and that advertisements for CO-FLEX had been placed in all UK equine magazines for September and October 1990.

14. Exhibit TM08 shows a copy of a supplier questionnaire completed by the applicant for Millpledge, dated 12 December 1995, which lists CO-FLEX goods ordered from the applicant by Millpledge. Exhibit TM09 is a copy of a letter from the applicant to Millpledge dated 31 January 1996 about how to maintain a competitive edge for CO-FLEX. However, the letter refers to the sale of a competitor's product having commenced in Germany. It is not clear, therefore, whether the letter refers to sales of CO-FLEX in the UK or in Germany.

15. Mr Murphy states that, “in addition to sales achieved by Millpledge”, a number of UK wholesalers, including National Veterinary Supplies (“NVS”) and Centaur Services Limited (“Centaur”) promoted the distribution of CO-FLEX products to UK companies. Mr Murphy states that NVS and Centaur were the two largest British wholesalers of veterinary products, accounting for over 60% of the British market. Exhibits TM10 and TM12 include photographs of NVS’s and Centaur’s product and price guides for 1993, 1994, 1995, 1996, 1997, 1998, 1999 and 2000, listing CO-FLEX bandages. Mr Murphy believes that there were around 4000 copies of the NVS guides distributed to existing and potential UK customers. Exhibit TM13 provides copies from Centaur’s guides for 1999 and 2000, which show photographs of CO-FLEX packaging “distributed by Millpledge” and “by Andover”. Prices of bandages and packs of bandages ranged from £1.17 to £42.65.

16. Exhibit TM15 contains a print from the Internet Archive’s ‘Wayback Machine’, referring to “Millpledge Veterinary” on 3 June 2001 and a number of bandages including Co-Flex (upper and lower casing). Invoices showing orders from Andover by Millpledge for CO-FLEX bandages, for the years 1999, 2000 and 2001, are shown at exhibit TM16. Mr Murphy states that sales figures prior to 1999 are not available owing to a computer system change in June 1998; however, he estimates that sales made by Andover to Millpledge between 1993 and 1998 totalled between US\$1.2 and 1.5 million.

17. Mr Murphy states that, in 1998, the applicant took steps to register the details of the applicant’s medical products sold under the name CO-FLEX with the appropriate authorities to obtain a CE mark to enable the applicant to sell medical bandages in Europe. A copy of the Declaration of Conformity in accordance with the Medical Services Directive (Council Directive 93/42/EEC) is shown at exhibit TM19, showing entitlement to use the CE mark on CO-FLEX bandages from 17 February 1999. Product packaging was updated to include the CE mark. Exhibit TM20 contains correspondence between the applicant and Millpledge, between 31 March 1999 and 28 May 1999, which refers to the CE mark. In particular, the following is said by Millpledge to the applicant, on 13 April 1999:

“I offer you congratulations on your accreditation to CE mark but actually it poses a slight complication for us. We too are accredited to CE mark medical devices destined for the human sector. It is forbidden to CE mark medical devices destined solely for the veterinary market but where a product is distributed in both market sectors in the same packaging, it is acceptable as long as the greater proportion of the sales is through the human sector.

Clearly that would not be the case for us with Coflex, but as it is your CE mark and as the higher proportion of your sales would be to the human market, we judge it unlikely that any regulatory policemen would arrest us...but it’s an undesirable situation!

...

Given all the foregoing, is it acceptable to you to overprint packs of both Coflex and Powerflex destined for Millpledge:-

“Distributed in the UK veterinary market exclusively by Millpledge Ltd.”....

.... and omit the CE mark and reference to Cavendish Scott [the representative for CE registration]?”

18. The response to this from the applicant, on 15 April 1999, said:

“The C.E. mark is now being printed on all flow film that Andover has in stock. Co-Flex, as you know, is sold in both the medical and veterinary markets and it is the case that a greater proportion of sales is sold through the human sector. Therefore, the regulatory policemen will not come around to arrest you!”

The letter goes on to agree to print CO-FLEX packaging with the words “Distributed in the UK veterinary market exclusively by Millpledge Ltd.”

19. Mr Murphy states that relations between the applicant and Millpledge began to deteriorate from 1999, which resulted in reduced sales figures from that year. Exhibit TM21 contains a spreadsheet of sales figures for CO-FLEX bandages for 1999-2001. Mr Murphy gives the following figures:

- June to December 1999 US\$58,808.76
 - 2000 US\$89,271.75
 - January to August 2001 US\$113,763.00
- US\$261,843.51 in total

20. The proprietor’s evidence comes from David Baldock, the proprietor’s strategic business development manager and Graeme Francis who is a solicitor and the company secretary to the proprietor’s predecessors in title. Mr Baldock refers to the acquisition of Parema Limited, the former owner of the trade mark, by Laboratoires Urgo. Mr Francis’ witness statement explains the chain of title:

- Mr Francis was instructed in November 2001 by Laboratoires Urgo SA in relation to the medical division of Parema Limited. Parema Limited hived across its medical division to Parema Medical Limited, effective from 1 January 2002. The transfer was documented on 15 April 2002, exhibited as GF3.
- The trade marks used in the medical division were assigned from Parema Limited to Parema Medical Limited by an assignment dated 16 January 2002, shown at exhibit GF4.
- A formal Deed of Assignment of Goodwill was entered into on 13 May 2002, exhibit GF5, which transferred the goodwill of the medical division and its intellectual property to Parema Medical Limited.
- Parema Medical Limited was acquired by Laboratoires Urgo SA on 6 June 2002, following an agreement dated 16 May 2002.

- Parema Medical Limited changed its name to Urgo Limited on 30 September 2005.

21. Mr Baldock states that KO-FLEX was first used in the UK on or around 1 December 1999 and that the trade mark has been continuously used in the UK since that date. He describes the goods as “a compression bandage for medical purposes and specifically a cohesive bandage sold in various sizes for the treatment of venous leg ulcers (4th layer of K-Four multilayer bandage system) and management of orthopaedic injuries, sprains and strains.” Examples of the various forms of KO-FLEX logo use are shown in exhibit DB1. Mr Baldock states that the proprietor had a family of K- marks and that KO-FLEX was used as part of the K-FOUR product range.

22. Exhibit DB2 consists of two spreadsheets showing sales of KO-FLEX between 1999 and 2004:

1999 - £743
2000 - £112,994
2001 - £279,233
2002 - £403,379
2003 - £534,186
2004 - £543,980

The spreadsheets show that the sales were made to the community or to hospitals. Mr Baldock states that, in 2013, sales totalled £735,728.

23. Exhibit DB3 consists of promotional leaflets distributed to community nurses and hospitals from 2001, 2002 and 2008 for the K-FOUR system of which KO-FLEX products are a part (the fourth layer in the bandage system). The mark can be seen on the packaging.

24. Exhibit DB5 is a copy of a letter, dated 24 June 1999, from Ms Lisa Stevenson of the NHS Executive to Parema Limited, referring to KO-FLEX. A further letter dated 16 August 1999 is from Ms Julie Driscoll in the Drug Tariff section of the NHS Executive. The letters both relate to the application by Parema Limited to have the KO-FLEX product registered on the Drug Tariff register prior to launch of the product later in 1999. They refer to the need for CE Declarations of Conformity. Another letter, in exhibit DB6, which is dated 28 March 2001, was sent by Parema Limited to the Drug Tariff Section requesting a price increase for KO-FLEX. The front page and pages 102 and 103 of the April 2002 Drug Tariff show the mark KO-FLEX as part of the K-FOUR kit. KO-FLEX also appears in the NHS Catalogue dated 1 April 2002 (exhibit DB7).

25. Exhibit DB5 consists of a document produced by a competitor, Smith and Nephew Healthcare Limited, which compares the K-FOUR system; that is, compares each of the four branded layers, including KO-FLEX, to its own product. The analysis was carried out in December 1999.

26. The proprietor, in its submissions filed with the evidence described above, said of the applicant's evidence:

“The use is limited to a very specific range of products – namely bandages for the veterinary market and more specifically for horses.

....

The products bearing the respective marks were being used for different markets and for different purposes. It will be seen from the registered proprietor’s evidence that their products were for the medical market.

....

The natures of the respective goods, the markets to which they were targeted, the purposes for which they were used and the prospective customers of both applicant and the registered proprietor at the time in questions were completely different. One product was aimed at the medical/human market and the other at the veterinary/animal markets. The practitioners to whom the products were marketed are from different professions....”

27. The applicant replied to these submissions and to the proprietor’s evidence by filing a second witness statement from Mr Murphy. The following paragraphs refute the proprietor’s submissions:

“3. Since the early 1990s, Andover’s CO-FLEX branded bandages were sold to Millpledge Healthcare Limited (a company dissolved in 2006) and Millpledge Limited which also trades as ‘Millpledge Healthcare’ and ‘Millpledge Veterinary’ (“Millpledge”). Millpledge is a distributor with reach throughout the United Kingdom. It distributes products for use with humans by doctors in the healthcare market. It also distributes products for use with animals by veterinarians. Andover sold products in the United Kingdom for use with humans prior to 1999. This statement is as true today as it was on April 15, 1999 when I advised Millpledge Healthcare that “Co-Flex, as you know, is sold in both the medical and veterinary markets and it is the case that a greater proportion of sales is sold through the human sector.” See Exhibit TM20. Page 7.

4. Indeed, in 1994 during a visit to the UK, I personally saw Andover’s Co-Flex bandages being sold on a pharmacy shelf. I recall this visit well because it was during this trip that I secured a contract with a large medical products company. This was a milestone contract for Andover and Andover has, ever since that time, made cohesive bandages for this company.

5. From the early 1990 through 2001 and after, Andover did not provide different bandages for use by humans or animals. Andover’s Co-Flex bandage used with animals was the same as Andover’s Co-Flex bandage used with humans. Although the CE mark was obtained in 1998 to enable Andover to sell medical bandages in Europe in full compliance with the Medical Service Directive, sales of bandages for humans were made prior to this time. The CE mark was obtained to conform its prior and existing sales of Co-Flex bandages for use with humans.”

28. Mr Murphy points out that the proprietor's medical products shown in its evidence of use have also been used by vets. Exhibit TM22 is a copy of an academic article in the Equine Veterinary Education journal from April 1993, showing one of the proprietor's K-band bandages on a horse's leg. Another academic article is shown in exhibit TM23 "treatment of chronic digital septic tenosynovitis in 12 horses by modified open annular ligament desmotomy and passive open drainage, Veterinary Record 2000; 147;388-39. The article refers to the use of a sterilised Pampers baby's nappy held in place by a K-Band bandage. Exhibit TM24 shows a print from the proprietor's current (at the date of Mr Murphy's statement) website, which refers to medical K-Band bandages. Mr Murphy says that this evidence shows that there is no distinction between the medical (human) market and the veterinary market; alternatively, that bandages switch from one market to the other quite easily.

29. Mr Murphy gives his opinion as to why there was no confusion between CO-FLEX and KO-FLEX in 1999 to 2001. He states that KO-FLEX was used as part of the four-layer K-FOUR bandage kit, whilst CO-FLEX was sold as a single bandage, so was not a competing product.

Decision

30. Halsbury's Laws of England (4th Edition) Vol. 48 (1995 re-issue) at paragraph 165 provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation."

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

31. Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 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.”

The relevant date

32. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O/410/11, Mr Daniel Alexander QC, sitting as the Appointed Person, considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

“39. In *Last Minute*, the General Court....said:

‘50. First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51. However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.’

40. Paragraph 51 of that judgment and the context in which the decision was made on the facts could therefore be interpreted as saying that events prior to the filing date were irrelevant to whether, at that date, the use of the mark applied for was liable to be prevented for the purpose of Article 8(4) of the CTM Regulation. Indeed, in a recent case before the Registrar, *J Sainsbury plc v. Active: 4Life Ltd* O-393-10 [2011] ETMR 36 it was argued that *Last Minute* had effected a fundamental change in the approach required before the Registrar to the date for assessment in a s.5(4)(a) case. In my view, that would be to read too much into paragraph [51] of *Last Minute* and neither party has advanced that radical argument in this case. If the General Court had meant to say that the relevant authority should take no account of well-established principles of English law in deciding whether use of a mark could be prevented at the application date, it would have said so in clear terms. It is unlikely that this is what the General Court can have meant in the light of its observation a few paragraphs earlier at [49] that account had to be taken of national case law and judicial authorities. In my judgment, the better interpretation of *Last Minute*, is that the General Court was doing no more than emphasising that, in an Article 8(4) case, the *prima facie* date for determination of the opponent’s goodwill was the date of the application. Thus interpreted, the approach of the General Court is no different from that of Floyd J in *Minimax*. However, given the consensus between the parties in this case, which I believe to be correct, that a date prior to the application date is relevant, it is not necessary to express a concluded view on that issue here.

41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom’s TM* [2005] RPC 2 at [46] (omitting case references):

- (a) The right to protection conferred upon senior users at common law;
- (b) The common law rule that the legitimacy of the junior user’s mark in issue must normally be determined as of the date of its inception;
- (c) The potential for co-existence to be permitted in accordance with equitable principles.

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Ltd* [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: “date of commencement of the conduct complained of”. If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

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.’ ”

33. The application for registration was made on 4 August 2001. Ms Lane submitted that this was the relevant date; or, in the alternative, 1 December 1999, when the proprietor commenced use of KO-FLEX in the UK. Mr Harris disagreed. He submitted that goodwill can arise from advertising even though the goods were not, as yet, available to buy. He relied upon the 24 June 1999 NHS letter to submit that the date of first use, and therefore the relevant date, was June 1999. Mr Harris submitted that this letter constituted an act which threatened passing off.

34. Ms Lane contested this submission. She referred me to Wadlow’s *The Law of Passing-Off: Unfair Competition by Misrepresentation*, 4th edition, paragraphs 5-175 to 5-179. It was Ms Lane’s position that it would have been premature for the applicant to have taken action on the basis of the June 1999 NHS letter, basing her argument upon *Barnsley Brewery Co Ltd v RBNB* [1997] F.S.R. 462. In that case, Robert Walker J held that action based upon a letter in which the defendants’ solicitors notified the plaintiffs that they intended to market “Barnsley Bitter” at some indeterminate time in the future, and two trade mark applications, would have been premature. I note, however, that the preceding paragraph of Wadlow (5-176) says that “the defendant must be threatening conduct which would be actionable if started immediately”. The NHS letter seems to fit this: it is a letter seeking registration on the NHS Drug Tariff Register. Therefore, Mr Harris’ submission appears preferable, and I will treat the relevant date as being June 1999, although, as will be seen, whether June or 1 December 1999 does not make a great deal of difference to the outcome of this decision. I am satisfied that the proprietor has demonstrated that the mark was in use. Although there are no turnover figures, owing to the passage of time, the rest of the evidence builds a picture of use; the spreadsheets; the letter to the NHS on 28 March 2001 refers to the fact that the last time there was a price change request for KO-FLEX was December 1999; and the Smith and Nephew

product comparison test is dated December 1999. Therefore, the NHS letter of 24 June 1999 can be regarded as threatening conduct which would be actionable if started immediately. With regard to the fact that KO-FLEX is part of the K-FOUR kit, in some circumstances the use of an additional sign may contribute to the fabric of goodwill: a sub-brand used alongside the main mark. The evidence shows that this was the case with K-FOUR and KO-FLEX.

The applicant's goodwill at the relevant date

35. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223:

“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.”

36. Whether the applicant has the requisite goodwill has to be deduced from the evidence which it has filed. In *Reef Trade Mark* [2002] RPC 19, Pumfrey J said:

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

and

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

37. In *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat), Floyd J, building upon Pumfrey J's observations, said:

“8 Those observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any

absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

38. It is clear from the evidence, and indeed the proprietor's acceptance is implicit in Mr Harris' skeleton argument and in his oral submissions, that the applicant had generated goodwill in the sign CO-FLEX in relation to bandages used in the veterinary profession and by those involved in the care of horses as of June 1999. Although it does not alter my view that there was goodwill at the relevant date, I would, however, add here that Mr Murphy's statement that the NVS and Centaur sales were in addition to those by Millpledge is not borne out by the rest of the evidence: Millpledge was the exclusive distributor and the packaging and information shown relating to NVS and Centaur reveals that they had sourced the goods from Millpledge.

39. Although the change in computer systems in 1998 meant that specific sales figures prior to 1998 were unavailable, the rest of the evidence provides a solid picture of custom (shown in the pre-1998 invoices), advertisements and repeat orders by Millpledge for veterinary distribution until 2001, when the evidence dries up. Mr Harris was dismissive of Mr Murphy's estimates as to turnover pre-1998, but no request has been made to cross-examine Mr Murphy, so it is not right to ask me to disbelieve the estimates. Although they are estimates, I have no reason to believe that they are not in that ball-park. The rest of the evidence, in any case, is sufficient to establish goodwill in veterinary/horse care bandages.

40. Mr Harris also criticises the applicant's case that it also has goodwill in medical (human) bandages. Ms Lane reminded me that I should not disbelieve what Mr Murphy had said about this aspect of the case either. However, although I do not disbelieve Mr Murphy, it is still necessary to examine what he has said about medical bandages for sufficiency, because the quantity and quality of the evidence he has provided about use of CO-FLEX in relation to medical bandages is vastly different to that for animal bandages. There is a difference, to my mind, between my refusal to disbelieve Mr Murphy's sales estimates, when viewed against the backdrop of the rest of his evidence about veterinary bandage sales, and the sufficiency of what he says about use of CO-FLEX in relation to medical bandages, as I shall attempt to explain.

41. In *Multisys*, Mr Alexander said, having referred to *Reef* and *Minimax* (as above):

“17. Key does not dispute the correctness of these principles or criticise the Hearing Officer for applying them. Instead, relying on the decision of Richard Arnold QC, Appointed Person, in *Pan World Brands v. Tripp (Pan World)* [2008] RPC 2, Key submits that if evidence is given about goodwill which is not obviously incredible and is unchallenged by countervailing evidence or by cross-examination, it is not open to the Hearing Officer to reject it. Key refers to Tribunal Practice Note TPN 5/2007 which is to similar effect. Key submits that this is the position here and that the Hearing Officer was therefore wrong

to have concluded that Key's goodwill was insufficient to found a s.5(4)(a) attack. It is therefore necessary first to consider what *Pan World* was and was not saying.

18. In *Pan World*, the Appointed Person said that, although documentary records of use were not required, mere assertion of use of a mark by a witness did not constitute evidence sufficient to defeat an application for revocation for non-use (see [31]). He did not regard a tribunal evaluating the evidence as bound to accept everything said by a witness without analysing what it amounts to. He pointed out at [37] that Hearing Officers were entitled to assess evidence critically and referred to the observations of Wilberforce J in *NODOZ Trade Mark* [1962] RPC 1 at 7:

“...in a case where one single act is relied on it does seem to me that that single act ought to be established by, if not conclusive proof, at any rate overwhelmingly convincing proof. It seems to me that the fewer the acts relied on the more solidly ought they to be established.”

19. *Pan World* and *NODOZ* were applications for revocation for non-use. The approach to use is not the same as in a s.5(4)(a) case. As Floyd J said in *Minimax*, it is possible for a party to have made no real use of a mark for a period of five years but to retain goodwill sufficient to support a passing off action. Conversely, use sufficient to prevent revocation for non-use may be insufficient to found a case of passing off.

20. However, the approach to evaluation of evidence of use is similar: the less extensive the evidence of use relied on, the more solid it must be. The Registrar is not obliged to accept – and in some circumstances may be obliged to reject – a conclusory assertion by a witness that it has a given goodwill at the relevant date or that the use by a third party of a similar mark would amount to misrepresentation, when the material relied upon in support does not bear that out.

21. That point was also made by Laddie J in *DIXY FRIED CHICKEN TM* [2003] EWHC 2902 (Ch) and, more recently, in *Williams and Williams v. Canaries Seaschool SLU (CLUB SAIL)* [2010] RPC 32, Geoffrey Hobbs QC, Appointed Person, said at [38]:

“...it is not obligatory to regard the written evidence of any particular witness as sufficient, in the absence of cross-examination, to establish the fact or matter (s)he was seeking to establish.”

22. Overall, the adequacy of evidence falls to be assessed by reference to the Lord Mansfield's aphorism from *Blatch v. Archer* (1774) 1 Cowp 63 at 65, cited, inter alia by Lord Bingham in *Fairchild v. Glenhaven Financial Services Ltd* [2002] UKHL 22 [2203] 1 AC 32 and in *CLUB SAIL*:

“...all evidence is to be weighed according to the proof which it was in the power of one side to have produced, and in the power of the other to have contradicted.”

42. Mr Alexander also said something similar in *Awareness Limited v Plymouth City Council*, Case BL O/230/13, that a “tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive”, because the nature and extent of use is likely to be well known to the proprietor.

43. It was not disputed by Ms Lane or the applicant that ‘medical’ means for human use. Mr Harris provided some extracts from the Medical Devices Regulations 1994. Regulation 2(1) states that a medical device (which includes bandages) is intended by the manufacturer to be used for human beings. Regulation 18(2) prohibits the supply of such if it does not bear the CE marking. Regulation 22 provides that the CE marking must be present by 14 June 1998.

44. Apart from the letter to Millpledge regarding the CE mark, dated 13 April 1999, the applicant has not shown, either in its evidence in chief or in reply, any documentary evidence relating to sales of bandages under the sign CO-FLEX in the medical (human) sector. Save from the letter, all the evidence in chief relates to veterinary bandages. The proprietor, in its submissions in answer, pointed this out. The applicant filed evidence in reply, but still did not file any documentary evidence: not a single invoice, packet or advertisement. It is worth looking again at the three paragraphs where Mr Murphy refers to use on medical bandages:

“3. Since the early 1990s, Andover’s CO-FLEX branded bandages were sold to Millpledge Healthcare Limited (a company dissolved in 2006) and Millpledge Limited which also trades as ‘Millpledge Healthcare’ and ‘Millpledge Veterinary’ (“Millpledge”). Millpledge is a distributor with reach throughout the United Kingdom. It distributes products for use with humans by doctors in the healthcare market. It also distributes products for use with animals by veterinarians. Andover sold products in the United Kingdom for use with humans prior to 1999. This statement is as true today as it was on April 15, 1999 when I advised Millpledge Healthcare that “Co-Flex, as you know, is sold in both the medical and veterinary markets and it is the case that a greater proportion of sales is sold through the human sector.” See Exhibit TM20. Page 7.

4. Indeed, in 1994 during a visit to the UK, I personally saw Andover’s Co-Flex bandages being sold on a pharmacy shelf. I recall this visit well because it was during this trip that I secured a contract with a large medical products company. This was a milestone contract for Andover and Andover has, ever since that time, made cohesive bandages for this company.

5. From the early 1990 through 2001 and after, Andover did not provide different bandages for use by humans or animals. Andover’s Co-Flex bandage used with animals was the same as Andover’s Co-Flex bandage used with humans. Although the CE mark was obtained in 1998 to enable Andover to sell medical bandages in Europe in full compliance with the Medical Service Directive, sales of bandages for humans were made prior to this time. The CE mark was obtained to conform its prior and existing sales of Co-Flex bandages for use with humans.”

45. Although Mr Murphy states that Millpledge distributes bandages for use with humans and veterinarians, he does not say under which signs. Millpledge says in the letter that it does not sell CO-FLEX medical bandages. This paragraph does not say that the applicant sold CO-FLEX bandages for humans: it says “Andover sold products in the United Kingdom for use with humans prior to 1999. The CE mark was obtained to comply with a European Directive”. Mr Murphy does not say where the medical CO-FLEX bandages were sold.

46. The second paragraph does not say where or in which pharmacy Mr Murphy saw the CO-FLEX bandage. This paragraph puts me in mind of *Pan World Brands v. Tripp*, in which Mr Arnold QC (as the Appointed Person) said:

“A statement by a witness with knowledge of the facts setting out in narrative form when, where, in what manner and in relation to what goods or services the trade mark has been used would not in my view constitute bare assertion. As counsel for the applicant accepted, it might not be possible for a trade mark proprietor to produce documentary evidence: for example all the records might have been destroyed in a fire.”

Mr Murphy’s second paragraph does give some information in narrative form as to when (1994) a witness with knowledge of the facts saw CO-FLEX medical bandages for sale, but does not say where. If there were other forms of evidence to corroborate it, such as invoices, packaging or advertisements, it would carry more weight than it does without such items. There has been no explanation as to why the applicant has not filed any supporting documents. If, as Mr Murphy states, the applicant sold more medical CO-FLEX bandages than it did veterinary CO-FLEX bandages, then why is there not a single document? Plenty of veterinary supporting documents have been provided as evidence. And, even though pre-1998 sales figures for veterinary CO-FLEX bandages could not be obtained, an estimate was made and invoices both pre and post-1998 were provided. It should have been easy enough for something similar to have been attempted in the applicant’s evidence in reply, bearing in mind that Mr Murphy states that more medical bandages than veterinary are sold under CO-FLEX in relation to medical use, when the proprietor had specifically raised the issue. This causes me to be sceptical. Whilst the number of UK veterinary CO-FLEX documents speaks volumes in terms of sufficiency, the silence in relation to UK medical use of CO-FLEX is almost deafening.

47. It is not possible for me to gauge the extent of the applicant’s goodwill in the UK in relation to medical bandages, which is important as the proprietor’s mark is registered, and has been used, for medical (i.e. human) bandages. The evidence does not raise a prima facie case that the applicant’s goodwill extends to bandages for humans. A further point is that the applicant could not have sold CO-FLEX medical bandages in the UK from 14 June 1998 (as per the Regulations) until it obtained a Declaration of Conformity. This was exhibited by the applicant as showing that the CE mark was not applied to CO-FLEX bandages until 17 February 1999, a matter of a few months before the relevant date. Without enough evidence to show me that the hiatus would not have affected the applicant’s goodwill in medical CO-FLEX bandages, this gap is a further point against the applicant’s case for goodwill in the medical bandages market in the UK in relation to the sign CO-FLEX.

Misrepresentation

48. The proprietor's mark is very similar (aurally identical) to the applicant's sign. The only difference is the initial letter C or K, which are identical in sound and natural substitutes for each other. Although there are references in the evidence to CO/KO standing as an abbreviation for cohesive or compression, I do not see this as being an obvious abbreviation. Both contain FLEX which alludes to a flexible characteristic of the goods. However, neither KO-FLEX or CO-FLEX is directly descriptive of the goods.

49. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

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

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

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

50. Ms Lane's primary position is that the applicant has done enough to show goodwill in both the veterinary and medical bandage markets. However, if I was against her in relation to the medical goodwill (which I am), in the alternative, she submitted that there would still be misrepresentation because of the closeness of the veterinary and medical (human) fields of activity and that the human bandage market represents a natural extension of the veterinary bandage market.

51. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA), Millet L.J. made the following findings about the lack of a requirement for the parties to operate in a common field of activity, and about the additional burden of establishing misrepresentation and damage when they do not:

“There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff's business. The expression “common field of activity” was coined by *Wynn-Parry J. in McCulloch v. May* (1948) 65 R.P.C. 58, when he dismissed the plaintiff's claim for want of this factor. This was contrary to numerous previous authorities (see, for example, *Eastman Photographic Materials Co. Ltd. v. John Griffiths Cycle Corporation Ltd.* (1898) 15 R.P.C. 105 (cameras and bicycles); *Walter v. Ashton* [1902] 2 Ch. 282 (The Times newspaper and bicycles) and is now discredited. In the *Advocaat* case Lord Diplock expressly recognised that an action for passing

off would lie although “the plaintiff and the defendant were not competing traders in the same line of business”. In the *Lego case Falconer J.* acted on evidence that the public had been deceived into thinking that the plaintiffs, who were manufacturers of plastic toy construction kits, had diversified into the manufacture of plastic irrigation equipment for the domestic garden. What the plaintiff in an action for passing off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.

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

‘...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant’:

Annabel's (Berkeley Square) Ltd. v. G. Schock (trading as Annabel's Escort Agency) [1972] R.P.C. 838 at page 844 per Russell L.J.

In the *Lego case Falconer J.* likewise held that the proximity of the defendant's field of activity to that of the plaintiff was a factor to be taken into account when deciding whether the defendant's conduct would cause the necessary confusion.

Where the plaintiff's business name is a household name the degree of overlap between the fields of activity of the parties' respective businesses may often be a less important consideration in assessing whether there is likely to be confusion, but in my opinion it is always a relevant factor to be taken into account.

Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that

‘even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.’

In the same case Stephenson L.J. said at page 547:

'...in a case such as the present the burden of satisfying Lord Diplock's requirements in the *Advocaat* case, in particular the fourth and fifth requirements, is a heavy burden; how heavy I am not sure the judge fully appreciated. If he had, he might not have granted the respondents relief. When the alleged "passer off" seeks and gets no benefit from using another trader's name and trades in a field far removed from competing with him, there must, in my judgment, be clear and cogent proof of actual or possible confusion or connection, and of actual damage or real likelihood of damage to the respondents' property in their goodwill, which must, as Lord Fraser said in the *Advocaat* case, be substantial.'

52. The applicant's evidence that the proprietor's bandages are used in the veterinary field is too thin to support the point that the goods readily cross from one market to the other. The evidence consists of two academic veterinary articles, in which one also used a baby's nappy (and no one would say that babies' nappies are a natural extension of the veterinary bandage market). The applicant's goodwill at the relevant date rested entirely within the veterinary sector. Misrepresentation is measured in terms of customers or ultimate consumers¹. Vets represent a different end consumer to medical professionals. Medical professionals cannot use medical devices unless they are CE marked. The applicant's goods, according to the letter dated 13 June 1999 from the applicant to Millpledge, specifically stated that they were not to be CE market as they were destined for the veterinary market, not the medical market. At the relevant date, neither end user would have come into contact with the other's goods because the markets did not overlap. The relevant date falls in 1999 (whether June or December). The applicant has only shown sales figures (rather than estimates) since 1999 and the figures for 1999 show that the applicant sold US\$59,000-worth of veterinary bandages. This figure is modest when considered against the size of the market and how many bandages must be in use every day in the UK by vets treating domestic pets, horses and other types of animals. The evidence does not support the submission that CO-FLEX enjoyed a sufficiently high reputation that medical professionals would assume a connection with the proprietor's goods.

53. Ms Lane submitted that the medical bandage market is a natural extension of the veterinary bandage market. I note that, in Kerly's *Law of Trade Marks and Trade Names* 15th edition, footnotes omitted, it says:

"There is no room for any concept by the name of "future goodwill," meaning the goodwill the claimant might generate as a result of what is supposed to be legitimate and logical expansion of the existing business. That is not to say that a claimant cannot succeed in relation to activity by the defendant in a field in which he does not presently trade, but his cause of action depends entirely on whether such goodwill as he already has stands to suffer damage, and it is irrelevant whether he would or might expand into the field of the controversy, or would avoid it completely."²

And

¹ *Erven Warnink BV* [1980] R.P.C. 31, HL.

² 18-107

“There is some authority for saying that goodwill may extend to natural future extensions of a business, so that a claimant may be entitled to prevent use of his name or marks on goods he expects to sell in the future. However, the better view is that although a claimant's goodwill may suffice to render the activities of a defendant in relation to such goods a misrepresentation, the only goodwill relevant when considering whether such a misrepresentation has in fact occurred or amounts to passing off is the goodwill which has been generated by actual use of the mark in issue at the date upon which the defendant commenced the activities complained of.”³

54. In considering this guidance, I have borne in mind the fact that the applicant has shown that it had goodwill in the veterinary bandage market in relation to CO-FLEX between 1990 and 2001 but that there is a complete lack of any documentary support to a claim of an extension of trade into the medical bandage market under CO-FLEX either during that time or since 2001. I am not, therefore, persuaded that, at the relevant date, the applicant could have prevented the use of KO-FLEX owing to expansion of CO-FLEX into the medical bandage trade.

55. Ms Lane also relied upon a General Court case, *Cadila Healthcare Ltd v Office for Harmonisation of the Internal Market*, T-288/08 in which the court held that ‘pharmaceutical preparations’ covers both those for human and veterinary use. On that basis, Ms Lane submitted that bandages for veterinary and medical use must be highly similar. However, the facts in this case are different. For a start, I am considering whether the goodwill in relation to professional consumers of one set of goods extended to a different sector of professional consumer at the relevant date so as to give rise to material misrepresentation and damage, not whether goods are similar so as to cause a notional likelihood of confusion. Secondly, the terms I am considering are ‘veterinary’ (which is the applicant’s area of goodwill/trade) and ‘medical’ (as in human), which is the proprietor’s specification. The one does not cover the other and there is a specific regulatory system in place (the CE scheme) for medical goods, which cannot apply to veterinary goods. I do not find the *Cadila* case helpful in analysing the issues which arise in these particular proceedings.

56. In *W.S. Foster & Son Limited v Brooks Brothers UK Limited*, [2013] EWPC 18 (PCC), Mr Iain Purvis QC, as a Recorder of the Court stated that:

“54. Mr Aikens stressed in his argument the difference between ‘mere wondering’ on the part of a consumer as to a trade connection and an actual assumption of such a connection. In *Phones 4U Ltd v Phone 4U.co.uk Internet Ltd* [2007] RPC 5 at 16–7 Jacob LJ stressed that the former was not sufficient for passing off. He concluded at 17:

‘This of course is a question of degree – there will be some mere wonderers and some assumers – there will normally (see below) be passing off if there is a substantial number of the latter even if there is also a substantial number of the former’.”

³ 5-176

57. Jacob LJ, in the same case, also said that deception, rather than mere confusion, had to be really likely to be damaging to the claimant's goodwill or to divert trade from the claimant. He emphasised the word 'really'. I come to the view that as of June 1999 (or 1 December 1999) the goodwill attached to the applicant's business in relation to its CO-FLEX sign for bandages for veterinary use did not entitle it to prevent the use of the proprietor's mark KO-FLEX for bandages for medical/human use.

Outcome

58. The application for a declaration of invalidity fails.

Costs

59. The proprietor has been successful and is entitled to a contribution towards its costs. Mr Harris was content for the scale to apply, as was Ms Lane, save in respect of the work which had been caused by the application to file further evidence. Ms Lane asked for off-scale costs for the extra work. I do not think that the late evidence caused work of such proportions that it justifies an award off the scale. However, I do agree that an award should be made to the applicant both for the extra work and for the fact that the 23 December 2014 draft differed considerably, and materially, to the version supplied two days before the hearing. Therefore, I will reduce the amount which the applicant is to pay to the proprietor. Applying the scale of costs in Tribunal Practice Notice 4/2007, the award is as follows:

Considering the application and filing the counterstatement	£300
Filing evidence and submissions and considering the applicant's evidence and submissions	£1200
Preparation for and attendance at hearing	£800
Offset: application to file further evidence	-£500
Total	£1800

60. I order Andover Healthcare Inc to pay Urgo Limited the sum of £1800 which, in the absence of an appeal, should be paid within seven days of the expiry of the appeal period.

Dated this 4th day of February 2015

Judi Pike
For the Registrar,
the Comptroller-General