

BL O/0794/23

TRADE MARKS ACT 1994

IN THE MATTER OF
Registration No. 3552152
OLIVIA BROWN
In the Name of Ieva Stelingyte
(Appellant/Registered Proprietor)

AND

AND IN THE MATTER OF
An Application for a Declaration of
Invalidity under No. CA504078
By Olivia Brown (Respondent/Cancellation Applicant)

AND

AND IN THE MATTER OF An Appeal
To the Appointed Person by
Ieva Stelingyte Against Decision O-912-22
Of Karol Thomas Dated 19th October 2022

The Registered Proprietor was represented by Mr Agnis Stelingis, acting as a
Lay Representative

The Cancellation Applicant Ms Olivia Brown appeared on her own behalf.

Hearing date: 6 April 2023

DECISION

Introduction

1. This is an appeal by Ieva Stelingyte, the Registered Proprietor of Registration No. 3552152 OLIVIA BROWN in class 14 (the Contested Mark) against a Decision of the Registrar's Hearing Officer Karol Thomas to uphold, in part, an application by Ms Olivia Brown for a declaration that the Contested Mark is invalid. The full specification for which the cancellation proceedings were upheld comprises Annex 1 to the Hearing Officer's Decision (since that is not an issue in this Appeal I shall not reproduce it here)

but in broad terms it covers jewellery and goods found to be similar, to varying degrees, to jewellery.

2. The application to register the Contested Mark was filed on 5th November 2020, and it was entered in the register on 19th March 2021.
3. The Applicant made her application for a declaration of invalidity of the Contested Mark on the basis of sections 47 (2) (b) and 5 (4) (a) of the Trade Marks Act 1994. These provide:

“S. 47

(2) Subject to subsections (2A) and (2G), 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”

and

“S 5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, 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. The Applicant relied on goodwill in the sign OLIVIA BROWN JEWELLERY with first use of the sign as early as May 2012 in respect of jewellery, jewellery design services and retail services in relation to jewellery.
5. Both parties filed evidence. Neither party requested a hearing, but the Cancellation Applicant filed written submissions.

The Hearing Officer's Decision

6. The Hearing Officer, having stated they had considered the parties' evidence and all the papers filed, determined as follows:
 - a. The relevant date for determining the matter was 5 November 2020, the date on which the Registered Proprietor began using the Contested Mark.
 - b. At the relevant date, the Cancellation Applicant had a protectable goodwill/earlier right in the sign OLIVIA BROWN JEWELLERY for jewellery and jewellery design services.
 - c. That the sign OLIVIA BROWN JEWELLERY was distinctive of the Cancellation Applicant's business.
 - d. That the vast majority of the Registered Proprietor's goods were identical, or similar to a degree varying from highly to similar to similar to a low degree, to the goods and services for which the Cancellation Applicant had demonstrated goodwill.
 - e. The Registration OLIVIA BROWN was, not surprisingly, highly similar to the sign OLIVIA BROWN JEWELLERY.
 - f. The Cancellation Applicant had submitted evidence of confusion among the consumers of goods/services under her sign and the Contested Mark.
 - g. For all of the goods covered by the Contested Mark (except "*ceramic discs for use as tokens of value, metal tokens used for mass transit and grave markers of precious metal*"), there was a risk of misrepresentation and damage as against the Cancellation Applicant's sign, and thus the use of the Contested Mark would amount to passing off for such goods.
 - h. The application for a declaration of invalidity therefore succeeded against all goods except "*ceramic discs for use as tokens of value, metal tokens used for mass transit and grave markers of precious metal*".
7. The Hearing Officer awarded the Cancellation Applicant costs of £1000.

This Appeal

8. The Registered Proprietor filed an appeal under S. 76 of the Trade Marks Act 1994 on 15th November 2022.

9. The grounds of appeal are set out below as they appear in the Registered Proprietor's Form TM55P:

"1 In the 16th section of the Decision document it is told that applicant has been using sign Olivia Brown Jewellery since 2012. However is there enough evidence to prove that this website was active for even a part of this period?"

2 In the 20th section of the Decision document it is stated "In 2013, the applicant recorded revenue of £28,812 which rose to £82,702 in 2019." Regarding applicants exhibit OB20 it is unclear what part of this revenue can be assigned to Olivia Brown Jewellery business alone. As we understand applicant was conducting 3 separate businesses under a single company which are:

Olivia Brown Jewellery - custom jewellery store with a website www.oliviabrownjewellery.co.uk

Olivia Lowe Silversmith • custom jewellery store with a website www.olivialowe.co.uk;

Meon Valley Studio - well established jewellery and silversmithing school with a website: www.meonvalleystudio.com

i am asking to provide evidence of direct revenue from Olivia Brown Jewellery business.

3. Regarding applicant's exhibit OB23 I am asking to provide evidence that any of these clients received any physical or digital material branded with OLIVIA BROWN JEWELLERY brand name on it. This could be an invoice, jewellery packaging, any sort of physical marketing material, email; technical drawings.

As of today I am confused if applicant was using her own personal name or OLIVIA BROWN JEWELLERY brand name on any sorts of material."

10. On the face of it these appeal grounds seem simply to ask for more evidence to be provided to prove the Cancellation Applicant's case. I explained to the Mr Stelingis that this was not the function of an appeal. However, from the tenor of the appeal hearing and allowing for the fact that the Appeal grounds were apparently drafted by

a lay person, I understood the grounds of appeal to question the Hearing Officer's assessment of and conclusions on the Cancellation Applicant's evidence.

11. As an additional request, which I shall regard as Ground 4, the Registered Proprietor protests the costs award:

"Also I am asking to reverse the decision to make me pay for applicant's costs of £1000 for the reasons stated below.

1.1 *am attaching a new exhibit OLBR11 which shows our business growth in terms of revenue, customers visits, customer location and number of orders. With 5355 paid customers spending over £290 000 and with over 360 000 visits to our website it is clear that applicant have benefited during this period and will benefit in the future from our marketing efforts. Nonetheless if the decision to invalidate my trademark OLIVIA BROWN (Trade Mark No: UK00003552152) for jewellery classes is not going to be reverted my business will suffer enormous losses. Therefore I believe it is unfair to make me to cover applicant's costs".*

12. No Respondent's Notice was filed by the Cancellation Applicant.

13. At the Hearing of the Appeal, the Registered Proprietor was represented by Mr Agnis Stelingis, acting as a Lay Representative. The Cancellation Applicant Ms Olivia Brown appeared on her own behalf.

Standard of Review on Appeal

14. As I explained to the parties at the Hearing of the Appeal, an appeal is by way of review, not a re-hearing. To quote Dr Brian Whitehead sitting as the Appointed Person in BL O/0709/23 SMASH YOUR HUNGER:

*"8. The approach to be adopted in an appeal hearing has been laid down a number of times in case law, both in general terms (e.g. by the Supreme Court in *Actavis Group PTC v. ICOS Corporation* [2019] UKSC 1671) and specifically in relation to appeals*

before the Appointed Person (Daniel Alexander Q.C. sitting as the Appointed Person in *TT Education Ltd v Pie Corbett Consultancy Ltd* (O/017/17), approved by Arnold J in *Apple Inc. v Arcadia Trading Limited* [2017] EWHC 440 (Ch)).

These cases establish the following principles:

Appeals to the appointed person are by way of review, not re-hearing;

- It is necessary for the appellant to satisfy the appeal tribunal that there was a distinct and material error of principle in the Hearing Officer's decision, or that the Hearing Officer was wrong;
- In the case of conclusions on primary facts it is only in a rare case, such as where that conclusion was one for which there was no evidence in support, which was based on a misunderstanding of the evidence, or which no reasonable judge could have reached, that the Appointed Person should interfere with it;
- In the case of a multifactorial assessment or evaluation, the Appointed Person should show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle. Special caution is required before overturning such decisions. In particular, where an Appointed Person has doubts as to whether the Registrar was right, he or she should consider with particular care whether the decision really was wrong or whether it is just not one which the appellate court would have made in a situation where reasonable people may differ as to the outcome of such a multifactorial evaluation;
- Situations where the Registrar's decision will be treated as wrong encompass those in which a decision is (a) unsupportable, (b) simply wrong (c) where the view expressed by the Registrar is one about which the Appointed Person is doubtful but, on balance, concludes was wrong. It is not necessary for the degree of error to be 'clearly' or 'plainly' wrong to warrant appellate interference but mere doubt about the decision will not suffice;

- The Appointed Person should not treat a decision as containing an error of principle simply because of a belief that the decision could have been better expressed. Appellate courts should not rush to find misdirections warranting reversal simply because they might have reached a different conclusion on the facts or expressed themselves differently. Moreover, in evaluating the evidence the Appointed Person is entitled to assume, absent good reason to the contrary, that the Registrar has taken all of the evidence into account.

15. I bear these well-established principles in mind.

Assessment

Ground 1

16. Ground 1 is, in effect, a challenge to the probative value of the evidence of the Cancellation Applicant as to the history of her business and the conclusions the Hearing Officer drew from that evidence.

17. The Hearing Officer reviewed this evidence at [16]:

“The applicant gives evidence that she sells bespoke hand-made jewellery under the sign Olivia Brown Jewellery since 2012. The products are advertised and sold online on the applicant’s websites, namely www.oliviabrownjewellery.co.uk and www.oliviabrownjewellery.com since 2012. For commissioned works, the customers contact the applicant by completing a contact form on the applicant’s websites.”

18. This evidence was not challenged by the Registered Proprietor by way of cross-examination before the Hearing Officer, although the Registered Proprietor’s evidence did assert more generally that there was *“no legal proof of legitimate, publicly recognizable brand or any public awareness of such brand existence whatsoever”* .

19. Other than raising a question as to the sufficiency of this evidence, the Registered Proprietor points to no error of principle or to anything about it, or the Hearing Officer's treatment of it, which might be regarded as "wrong" in the sense required for appellate intervention. Furthermore, the Hearing Officer did not rely solely on this evidence but looked at matters "in the round" ([22] of the Decision, last sentence).
20. Thus, the answer to the question "*is there enough evidence to prove that this website was active for even a part of this period?*" is that this was the evidence that was given, and the Hearing Officer was entitled to accept it at face value, for what it was worth, notwithstanding the Registered Proprietor's general challenge.
21. I should only interfere with a Hearing Officer's conclusions as to the evidence and primary facts drawn from it in rare circumstances. There are no such circumstances here and the Hearing Officer's approach to the evidence is unimpeachable.
22. It follows that Ground 1 fails.

Ground 2

23. As developed before me it became clear this ground of appeal sought to question whether the evidence showed the Cancellation Applicant's revenue and business related to the sign OLIVIA BROWN JEWELLERY or whether the evidence actually showed the Cancellation Applicant was trading under a different business called Meon Valley Studio.
24. The Hearing Officer states at [20]:

"The applicant claims to have paid for Facebook marketing and provides a copy of the 'account quick report', which shows some details of the marketing expenditure on Facebook. Although the amount shown as spent during the relevant period is underwhelming, I note from the applicant's unchallenged statement that numerous clients found out about the applicant's business as a result of the promotion of the sign on Google and social media. In this regard, I also note that the applicant's business has

grown over the years. In 2013, the applicant recorded revenue of £28,812 which rose to £82,702 in 2019. Although, the increase in revenue is not huge, sales relied upon is clearly more than trivial. In Smart Planet Technologies, Inc. v Rajinda Sharm (RECUP), it was decided that business with a more-than-trivial goodwill can protect signs which are distinctive of that business”.

25. The figures referred to here are foot-noted by the Hearing Officer to come from the Cancellation Applicant’s Exhibit OB20. This was a letter from the accountants Perrin & Co, reciting that these figures as the turnover of the Cancellation Applicant trading as “Olivia Brown Jewellery”. The Exhibit in question supports Ms Brown’s Witness Statement evidence of her trade under the name OLIVIA BROWN JEWELLERY [WS Olivia Brown [21].
26. Furthermore, in response to this issue being raised in the Registered Proprietor’s evidence, Ms Brown dealt with the operations of Meon Valley Studio Limited, and its differentiation from her business as OLIVIA BROWN JEWELLERY, in her second Witness Statement [59-71].
27. On appeal the Registered Proprietor asks for “direct evidence” of the Cancellation Applicant’s sales. It is clear, though, that the evidence described above is exactly that.
28. In the circumstances, once again the Hearing Officer was perfectly entitled to weigh up and to be satisfied by Ms Brown’s evidence on this issue.
29. Ground 2 fails.

Ground 3

30. As with the previous grounds, by this ground the Registered Proprietor questions the probative value of Ms Brown’s Exhibit OB23 and the Hearing Officer’s reliance on it. The Registered Proprietor contends this evidence, which consists of a list of the Cancellation Applicant’s customers, is unsupported by any evidence of actual transactions.

31. This evidence formed part of the wider evidence of Ms Brown about the development of her business. The Hearing Officer treated it for what it was worth in assessing the geographical reach of the Cancellation Applicant's goodwill. Furthermore, there was additional evidence of specific sales at Exhibit OB32, a spreadsheet of completed commissions, along with witness evidence from Ms Brown. The Hearing Officer did not rely solely on Exhibit OB23 but took it into account in her overall assessment, at [22] of the Decision, of Ms Brown's evidence for goodwill:

"22. The applicant has not provided a breakdown figure for me to ascertain how much of the sales related to commissioned goods or goods purchased off the website/social media. Bearing in mind the applicant's statement that majority of her business relates to commissioned works, it is reasonable to infer that at least some proportion of the revenue, likely to be more than nominal, must have been through the sale of goods. The sales shown were in respect of types of jewellery such as necklaces, rings, studs and earrings. I am of the view that sufficient types of jewellery are shown for the goodwill to cover jewellery as a whole. However, nothing in the evidence indicate that the applicant provides retail services in relation to jewellery. Merely selling goods is not a service for which a trade mark may be protected in class 35. I see no reason why that reasoning should not apply in the present case. Taking the evidence in round, I am of the view the applicant has protectable goodwill in her business in relation to jewellery and jewellery design services, and that the sign is distinctive of that business."

32. The absence of supporting evidence for transactions as regards the customers listed in Exhibit OB23 was therefore adequately balanced by other evidence. The Hearing Officer was entitled to reach the conclusions that they did on the basis of the totality of evidence before them. There is no error of principle or other flaw in this reasoning.

33. Ground 3 therefore fails.

Ground 4

34. By Ground 4 the Registered Proprietor challenges the adverse costs award.

35. In BL O/439/12 Mr Geoffrey Hobbs QC noted at [9]:

“The long-established practice in Registry proceedings is to require payment of a contribution to the costs of a successful party, with the amount of the contribution being determined by reference to published scale figures”.

36. The Registered Proprietor’s specific complaint is that the Cancellation Applicant will benefit from the Registered Proprietor’s loss and that to make her bear costs in such circumstances is somehow unfair.

37. However, this fails to take into account that the Registered Proprietor’s registration was found to have been wrongfully registered, in breach of the Cancellation Applicant’s rights. The costs (and other outcomes complained of by the Registered Proprietor) arise as a consequence of the Registered Proprietor’s own actions. The fact the Registered Proprietor may not have known about the Cancellation Applicant’s earlier right, as was argued before me, is immaterial.

38. The award of costs is discretionary, and that discretion must be exercised judicially.

39. The Hearing Officer dealt with this at [58-59]:

“58. The applicant has been more successful and is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. Considering the extent of success, I do not consider it appropriate to reduce the costs the applicant is entitled to. I award costs to the applicant on the following basis:

Preparing statements and

considering the proprietor’s statement: £200

Filing evidence and considering

the other party’s evidence: £600

Official fee £200

Total £1000

59. I, therefore, order Ieva Stelingyte to pay Olivia Brown the sum of £1000. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings”.

40. Given that at this point Ms Brown was professionally represented, on the face of it, this is an entirely conventional disposal of the costs issue, and it is to be noted that the Hearing Officer took into account that the Cancellation Applicant was not wholly successful. The discretion was exercised in a judicial fashion and the reasons given by Registered Proprietor to show this is “unfair” have no bearing on the matter.

41. Ground 4 therefore fails. The Hearing Officer’s costs award stands.

Conclusion

42. **The Appeal has failed in full** and the original decision stands. I confirm the Hearing Officer’s order that the Registered proprietor’s mark may remain registered in respect of *ceramic discs for use as tokens of value, metal tokens used for mass transit and grave markers of precious metal*. The remaining goods covered by the proprietor’s registration may hereby declared invalid under section 47(6) of the Act.

Costs

43. The Appeal having failed Ms Brown as the Cancellation Applicant is entitled to costs. In contrast to the position at first instance, on appeal Ms Brown represented herself.

44. Ms Brown is to be sent the Registrar’s costs’ *pro forma* along with this Decision. In order that I can deal with costs in a Supplementary Decision, I direct that by **4th September 2023** Ms Brown may either:

- a) Inform me that she is content for me to make an order in my discretion by reference to the applicable published scale of costs (see Tribunal Practice Note TPN 2/2016 Costs in proceedings before the Comptroller-

<https://www.gov.uk/government/publications/tribunal-practice-notice-22016>)

in which case I shall do so; or

- b) send me the completed a schedule of or statement setting out:
- a. Any disbursements she claims to have incurred in dealing with the appeal;
 - b. Any other losses occasioned in preparing for and attending on the appeal;
 - c. The time spent dealing with the appeal.
- c) If Ms Brown submits such a Schedule, the Registered Proprietor shall have until **18th September 2023** to send me any written representations they wish to make in reply to those of the Cancellation Applicant (by email via the Appointed Persons Secretariat AND copied to the Cancellation Applicant).
- d) If Ms Brown makes no response either way by the due date I shall make no order as to costs.
- e) If after the exchange of any submissions referred to in paragraphs b) and c) above either party wishes to be heard, they should notify me by no later than **2nd October 2023**. Failing that I shall issue a Decision on Costs taking the parties' submissions into account.
- f) Communications pursuant to these Directions must be made by email via the Appointed Person Secretariat enquiries@appointedperson.gov.uk and copied to the other party.

45. For the avoidance of doubt, I stress that any award of costs will be assessed against the Registrar's standard scale, and within that will reflect only the effort and expenditure to which it relates. A costs award does not include any compensatory element.

Philip Harris
Appointed Person
21st August 2023