

O-116-16

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION UNDER NO 500627
BY QATAR FOUNDATION FOR EDUCATION, SCIENCES & COMMUNITY
DEVELOPMENT**

**FOR CANCELLATION OF REGISTRATION NO 2589497
IN THE NAME OF AWAD NABIL**

Background

1. Registration no 2589497 is for the trade mark **qatar foundation** has a filing date of 28 July 2011 and was entered in the register on 28 October 2011. It stands in the name of Awad Nabil and is registered for the following goods:

Class 18

Leather and imitations of leather, and goods made of these materials; animal skins, hides and goods made of these materials; trunks and travelling bags; handbags; rucksacks; backpacks; sporting bags; ball bags; ball sacks; sport equipment bags; luggage; luggage label; purses; wallets; briefcases; umbrellas; parasols; walking sticks; whips, harness and saddlery; clothing for animals

Class 25

Clothing, footwear, headgear

2. On 23 September 2014, Qatar Foundation for Education, Sciences & Community Development (“the applicant”) filed an application seeking to invalidate the registration. The application is brought on grounds under the provisions of section 47 relying on sections 5(3) and 3(6) of the Trade Marks Act 1994 (“the Act”). In respect of the objection under section 5(3), the applicant claims it has an earlier similar mark which has a reputation. In particular it argues that Mr Awad’s registration will ride on the coat tails of the earlier mark and will benefit from its power of attraction, reputation and prestige. The applicant also claims that the later use will be out of its control and that poor quality or offensive goods will cause detriment to its valuable reputation and business. It claims that use of the later mark will dilute the distinctive character and reputation of its marks.

3. The applicant relies on the following Community Trade Mark (“CTM”) which has a filing date of 6 September 2007 and was entered in the register on 4 July 2008:



4. The CTM is No 6259031 and is registered for a range of services in classes 41, 42 and 44.

5. In respect of the objection based on section 3(6) of the Act, the applicant puts its claims in the following terms:

“The registered proprietor has a history of registering famous brands in the U.K. to which he has no entitlement. The proprietor has previously registered BLACKPOOL FOOTBALL CLUB, QATAR AIRWAYS and a representation of the FIFA World Cup...”

6. Mr Awad filed a counterstatement essentially denying the grounds of objection.

7. Both parties filed evidence which I will refer to as necessary later in this decision. The applicant also filed written submissions. The matter was set down for a hearing on 12 January 2016. The applicant initially indicated that it would be in attendance and gave the name of its representative but, by way of a letter dated 7 January 2016 then indicated it would not attend and would not be represented. Skeleton arguments were filed, however, by Jensen & Co who had represented the applicant during the proceedings. Though he represented himself during the course of the proceedings, Mr Awad appointed Mr Chris Pearson of Counsel to represent him at the hearing. Mr Pearson filed skeleton arguments but, less than an hour before the appointed hearing, sent an email to the registrar indicating that he was no longer instructed to represent Mr Awad and requesting that, as the applicant had now indicated it was not going to be in attendance, the matter be determined from the papers which included the skeleton argument. I therefore give this decision after a careful review of all the papers.

The objection under section 5(3) of the Act

8. Section 5(3) states:

“(3) A trade mark which-
(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC), in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

9. The relevant case law can be found in the following judgments of the Court of Justice of the European Union (“CJEU”): Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls

the earlier mark to mind; *Adidas Saloman, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74* and *the court's answer to question 1 in L'Oreal v Bellure*).

10. In respect of the objection under this ground, the applicant relies on its CTM 6259031 which, given the respective dates set out above, is an earlier trade mark within the meaning of the Act. Mr Awad does not put the applicant to proof of use of its mark, however, in order for a claim under section 5(3) of the Act to be successful

the applicant must establish that it has the claimed reputation. In *General Motors Corp v Yplon SA (Chevy)* [1999] ETMR 122 and [2000] RPC 572 the CJEU stated:

“The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.”

11. I note that the earlier mark relied upon by the applicant is a CTM. In *Pago International GmbH v Tirol Milchregistrierte Genossenschaft mbH* C-301/07 (“*Pago*”) the CJEU held that, in appropriate circumstances, the territory of a single Member State may be considered to constitute a substantial part of the territory of the Community.

12. The applicant puts its claim in the following way:

“The Applicant for invalidation has used the earlier mark in the United Kingdom for a number of years in relation to the services listed... and since at least prior to the application for registration of U.K. No. 2589497. The Applicant has registered the mark in several jurisdictions and is a large, well-known organisation established in 1995 by His Highness Sheikh Hamad Bin Khalifa Al-Thani, Emir of the State of Qatar. Due to this use the Applicant has acquired a reputation in the earlier mark for the services covered by the registration. Indeed the Applicant and their earlier QATAR FOUNDATION (device) mark has become well known in the field of education, entertainment and sporting activities particularly by virtue of becoming the highly publicised shirt sponsor for F.C. Barcelona, one of the most popular and famous sports teams in the world. QATAR FOUNDATION has received many accolades and is often referred to in a range of publications....”

13. The applicant’s earlier mark is registered for the following services:

Class 41

Education; providing of training; entertainment; sporting and cultural activities

Class 42

Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software

Class 44

Medical services; veterinary services; hygienic and beauty care for human beings or animals; agriculture, horticulture and forestry services.

14. The only evidence relating to the activities of the applicant is given in the witness statement of Hesham A Ismail, its Associate General Counsel. He states that the applicant has been established for 20 years and is a “private, non-profit organization that serves the people of Qatar by supporting and operating programs in three core mission areas: education, science and research, and community development”. He states the applicant also “contributes to human development nationally, regionally and internationally”.

15. Despite the claims made in its application for cancellation, the only evidence Mr Ismail gives that possibly relates to any connection with countries within the EU is his statement that the applicant has “established branch campuses of eight international universities”. One of these is said to be “2011-HEC Paris Qatar with executive education programs for mid-career and senior executives”. The other is said to be “2011-University College London Qatar offering postgraduate qualifications in museum studies, conservation and archaeology in partnership with Qatar Museums Authority”. These branch campuses, however, are said to have been established “at the main campus just outside Doha” which, clearly, is outside the EU/UK.

16. Mr Ismail states that the applicant owns several trade marks featuring the words Qatar Foundation and provides example images of these at Exhibit 1. There is no indication of e.g. in which country any particular mark may have been registered or the goods or services for which they may have been registered. Mr Ismail also states that trade marks containing the words Qatar Foundation have been used in a number of countries. The United Kingdom is not specifically mentioned though the EU is included in the list. The applicant has not relied upon these other trade marks in its application for invalidation.

17. Whilst Mr Ismail states the applicant “operates programs” and “has several initiatives”, the evidence is silent as to what business, if any, it has carried out in any part of the EU/UK under the mark relied upon. The applicant has also filed a witness statement by Mr Damian Latif, however, he gives no evidence as to the use which may have been made of the earlier mark.

18. In its application, the applicant indicated that it reserved the right to file evidence to support its claims. To the extent that an applicant needs to prove it has the claimed reputation for the services for which the mark is registered, the filing of appropriate evidence is not a right but a requirement. In the current case, there is no evidence of e.g. what specific services have been supplied by the applicant under the earlier mark (whether in the EU, the UK or elsewhere), to whom those services were supplied, the size of the relevant market and the volume of services supplied or what advertising may have taken place and where, when or at what cost. Taking all the evidence into account, the applicant has not shown that its earlier mark has a reputation in relation to any of its claimed services anywhere and certainly not in any part of the EU or UK. That being the case the objection brought under the provisions of section 5(3) of the Act fails at the first hurdle.

The objection under section 3(6) of the Act

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

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

20. The law in relation to section 3(6) of the Act (“bad faith”) was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch):

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see *Case C- 529/07 Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. *Case C-259/02 La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and *Case C-192/03 Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134. Fourthly, bad faith includes not only dishonesty, but also "some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined": see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

"41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48)."

21. I set out above the applicant's claim in this regard which appears to be based on a claim that Mr Awad had no entitlement to file the application for registration.

22. As indicated above, the applicant has filed evidence in the form of the witness statements of Mr Ismail and Mr Latif. Mr Ismael's evidence makes no reference to the claim that Mr Awad's application for registration was made in bad faith. Mr Latif's witness statement raises questions as to the authenticity of some of the material which Mr Awad has himself filed in evidence and which are in the form of purchase orders for goods supplied, however, whether Mr Awad has used his mark or not is not an issue before me so I will say no more about that evidence.

23. In its written submissions, the applicant makes reference to Mr Awad and claims that he has attempted to register other trade marks “belonging to other proprietors” but adds, quite sensibly, that “This in itself is not evidence of an individual action in bad faith”. It then goes on to submit that Mr Awad “has attempted to profit” from such registrations. Mr Latif’s witness statement makes a brief mention of this. He states:

“During the course of these proceedings I have communicated directly with Mr. Awad. On 26th June 2014 Mr Awad offered to sell the registration in suit to my client for a “vary (sic) generous offer”.

At DL1 he exhibits a copy of the relevant email sent to him from Mr Awad. It contains the following:

“If your clients want to use my registered trade mark, we can agree a licence with them.

They may also be able to buy the trade marks rights from the (sic) me for vary (sic) generous offer.

This can results (sic) in transferring the ownership, or assigning it, to your clients”.

Whilst the wording above may be somewhat unusual, trade marks are an item of property and it is a normal part of business for them to be licensed or sold on to others. Mr Latif’s evidence contains nothing to show that the application for registration, filed some three years earlier, was made in bad faith.

24. Absent any evidence to support the claim, the objection under section 3(6) also fails.

Summary

25. The application for cancellation has failed on each of the grounds on which it was brought.

Costs

26. The application for cancellation having failed, the registered proprietor is entitled to an award of costs in his favour. Mr Awad represented himself during the course of these proceedings though, as I have already commented, he appointed Counsel for a hearing. He later withdrew that representation with this decision being taken from the papers which included the skeleton argument which had been prepared by Counsel. I make the award on the following basis:

For reviewing the application and filing a counterstatement:	£200
For filing evidence and reviewing the applicant’s evidence:	£300
Preparation of skeleton arguments:	£200

Total:

£700

27. I order Qatar Foundation for Education, Sciences & Community Development to pay Mr Nabil Awad the sum of £700. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 12th day of January 2016

**Ann Corbett
For the Registrar
The Comptroller-General**