

O-198-09

**TRADE MARKS ACT 1994**

**IN THE MATTER OF REGISTRATION 2413418  
IN THE NAME OF SYKAM SOLUTIONS LIMITED  
IN RESPECT OF THE MARK**

**Bo Bijou**

**IN CLASSES 14, 35 & 42**

**AND AN APPLICATION TO INVALIDATE  
UNDER NO 82760  
BY BO-BJU LTD**

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by Bo-Bju Ltd

### Background

1. Sykam Solutions Limited (“SSL”) is the proprietor of the above trade mark registration. The trade mark was applied for on 9 February 2006 and it completed its registration procedure on 8 December 2006. The trade mark is registered for the following goods and services:

**Class 14:** Precious metals and their alloys and goods in precious metals or coated therewith; semi-precious and precious stones; horological and chronometric instruments; jewellery and imitation jewellery; watches; clocks; timers; badges; key rings; flasks; parts and fittings for all the aforesaid goods.

**Class 35:** The bringing together for the benefit of others of precious metals and their alloys and goods in precious metals or coated therewith, semi-precious and precious stones, horological and chronometric instruments, jewellery and imitation jewellery, watches, clocks, timers, badges, key rings, flasks, parts and fittings for all the aforesaid goods.

**Class 42:** Design services all relating to jewellery, imitation jewellery, costume jewellery, ornamental items made of precious metals or coated therewith, ornamental items incorporating precious or semi-precious stones.

2. Bo-Bju Limited (“BBL”) applied, on 1 February 2007, for a declaration of invalidity in respect of SSL’s trade mark registration. The ground relied on was not set out particularly clearly in its statement of case, however, BBL made reference to its goodwill (associated with its sign Bo-Bju), and the case has been fought (by both sides) on the basis of a passing-off claim (section 5(4)(a) of the Trade Marks Act 1994 (“the Act”).

3. Both sides filed evidence, I will return to this evidence shortly. The matter then came to be heard before me on 8 May 2009 at which BBL were represented by one

of its directors, Mr David Evans, and SSL were represented by Mr Ian Wilkes of Groom Wilkes & Wright LLP, its trade mark attorneys.

### **The law**

4. Section 5(4)(a) of the Act reads:

“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.”

5. There are three elements (often referred to as “the classic trinity”) to consider in a claim for passing-off, namely: 1) goodwill, 2) misrepresentation and 3) damage. In *Reckitt & Colman Products Ltd v Borden Inc* [1990] R.P.C.341, Lord Oliver summarised the position quite succinctly when he stated:

“The law of passing off can be summarised in one short general proposition--no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff...Thirdly he must demonstrate that he suffers, or in a *quia timet* action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.”

### **Concessions from the parties**

6. During the hearing, both sides made some helpful concessions that have limited the scope of what I need to determine or, at least, have highlighted the key and primary issues that I need to consider. For its part, SSL accepted that BBL had a goodwill at the time of SSL's application for registration (9 February 2006) but that it based its case on the fact that it (SSL) was, in fact, a senior user in comparison to

*BBL*<sup>1</sup>. *BBL* accepted that, on the face of it, *SSL* were the senior user (or, at least, had used its mark from around the same time) and that this would, ordinarily, have defeated its passing-off claim, however, *BBL* challenges the reliability and authenticity of the evidence of *SSL* purporting to establish a senior user status. I must, therefore, deal firstly with the nature of the respective businesses to establish the senior/junior user status.

### **The evidence relating to *BBL*'s business**

7. I can deal with this relatively briefly given that *SSL* have accepted that the evidence demonstrates a protectable goodwill and it has not sought to challenge any of *BBL*'s factual evidence. The evidence relating to *BBL*'s business comes, principally, from Ms Catherine McGahan, its founder and managing director.

8. The origins of the business (although not necessarily trade under the respective sign) began at the end of 2003 when Ms McGahan began to consider her career options. After settling on a jewellery business, the first business dealings took place in February 2004. These dealings utilised suppliers (see exhibit CMCG1) based in China with Ms McGahan then selling on the goods via *Ebay.co.uk*. (transaction feedback shown in CMCG1). The *Ebay* account/user name is "catiemcg", no reference at this point is made to Bo-Bju. The actual transactions themselves (or at least those shown in the exhibit) date from March 2004.

9. The name Bo-Bju was devised by Ms McGahan's husband as a modern derivative of the French term "Beaux Bijoux" meaning beautiful jewellery. Examples of early branding are shown in CMCG2. These include use on a small bag, on a business card and on a retail board. Original invoices relating to the purchase of these supporting materials is also provided. The earliest invoice is dated April 2004 (for postcards and business cards). Most of the other invoices are from July 2004 (there is one other dated October 2004). The invoices either list Bo-Bju in the shipping address underneath Ms McGahan's name or, it is used in the "sold to" box.

10. A number of supplier (supplying *BBL*) invoices are provided in Exhibit CMCG3 together with shipping notes, bank statements etc. They range in date from 4 March 2004 to 20 August 2004. However, only two of these identify Bo-Bju (2 invoices from August 2004). Also provided is a letter from Customs and Excise allocating a PSEUDO TURN number for commercial use (although I do not know what this means), Bo-Bju is identified on this. The first retail sales are said to have taken place in April 2004 and from this point on they attended retail sales events. A list of events is shown in CMCG4, (20 in 2004, 31 in 2005 and 27 in 2006). They include Christmas, summer and autumn fairs and some sporting (polo & horse trials) events.

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<sup>1</sup> Reference was made to the decision of Mr Hobbs QC (sitting as the Appointed Person) in *Crooms application* (BL O-120-04) where he stated:

" I understand the correct approach to be as follows. When rival claims are raised with regard to the right to use a trade mark, the rights of the rival claimants fall to be resolved on the basis that within the area of conflict:

- (a) the senior user prevails over the junior user;
- (b) the junior user cannot deny the senior user's rights;
- (c) the senior user can challenge the junior user unless and until it is inequitable for him to do so."

No details regarding the size of these events is provided. Ms McGahan's later evidence states that the first sale of Bo-Bju jewellery was at the trade fair of Great Ballard School on 14 May 2004, followed closely by sales at a trade stand at the Royal County of Berkshire Polo Club on 22 May 2004 (invoices for these events are provided in CMCG4).

11. The domain names [www.bo-bju.com](http://www.bo-bju.com) & [www.bo-bju.co.uk](http://www.bo-bju.co.uk) were registered in April 2004 (see CMCG5) and an accompanying website was complete and operational by October/November 2004 (see CMCG6). The company Bo-Bju Limited was incorporated on 4 August 2004 (see CMCG7). In relation to sales and promotional figures, these are said to be:

Period	Turnover	Promotion (estimate)
April to September 2004	£17,000	£3,500
October to September 2005	£63,000	£17,300
October 2005 to September 2006	£78,000	£24,700
Total	£158,000	£45,500

12. In relation to promotion, Bo-Bju jewellery has had a presence on *e.directory.com* (an online directory of retailers) since 2006 (see CMCG9) and it is one of the top selling brands via this web-site. Bo-Bju advertisements featured in *Vogue* and *Tatler* magazine in October, November and December 2005 (see CMCG10).

13. Bo-Bju jewellery is also sold on a wholesale basis (particularly to department stores). The first wholesale customer was *Woodruffs of Winchester* in June 2005 (see the order form in CMCG11). To support the wholesale business *BBL* attended the trade event *Top Drawer Spring* in January 2006 (exhibit CMCG12 contains brochures, invoices for attendance, and some order forms for sales made at the event). I note from one of the brochures that wholesalers are required to re-sell the jewellery under the Bo-Bju name. She states that attendance at this event led to the selection of two of its products to appear in the London Evening Standard "Trends Café area" promotion (no further detail on this is provided). Other trade shows attended were *TOP Drawer* (September 2006), *Top Drawer* (January 07) and *PURE London* (February 2007). Reference is made to enquiries/negotiations with other department stores including *Jaeger*, *Treasure Box*, *M & G*, *Fenwick*, *Sterling Marketing*, *Denner Cashmere and Smith*. Exhibit CMCG13 contains correspondence with these firms; some of these are in the nature of sending samples, but some are orders for goods. Ms McGahan states that the products are now stocked in close to 100 retail outlets<sup>2</sup>.

### **Probative value of the evidence relating to BBL's business**

14. None of the above factual evidence has been challenged by *SSL*. No counter evidence has been filed. I cannot detect any inconsistencies or incongruous statements. I regard the evidence as reliable. On the basis of all this, I am able to find that *BBL's* business selling jewellery under the sign Bo-Bju began in April 2004

<sup>2</sup> Her evidence is given on 17 July 2007

with first sales to the public being made in May 2004. Use has continued since then to date (or at least to the date of Ms McGahan's evidence). I will return to the question of goodwill later.

### **The evidence relating to SSL's business**

15. The evidence about SSL's business comes from Ms Shan You, its creative director. Before detailing the evidence further, it should be noted that *BBL* have challenged the reliability and authenticity of much of this evidence. I will highlight the key counter evidence (which was filed by Ms McGahan) as I go along.

16. SSL was incorporated in August 2003 as "an international consulting group" (Exhibit SY1 from Companies House supports the incorporation date). Shortly after this a company (*Starclub SA*) approached SSL for support in sourcing pearl jewellery from China. This led to SSL using contacts in China to assist with this sourcing (one contact being one of the world largest pearl farms, owned by a friend of Ms You's husband). From November 2003 SSL say that they imported pearl jewellery from China.

17. Given this new line of business (jewellery importation) it was decided to differentiate between that business and the business of consulting. A brand name was chosen "BoBijou" (by Ms You and her husband) derived from the French for "beautiful jewellery" (SP2 shows on on-line translation to support this meaning). Invoices (dated 18 November 2003 & 2 March 2004) are provided in SY3 relating to what Ms You says are jewellery importations which show BoBijou as the customer/contact point. One invoice lists only product numbers, but the other lists "pearl necklaces".

18. Reference is then made to the use of the name on business cards, posters and postcards. SY4 contains invoices from the suppliers of these materials (dated 16 December 2003 and 2 April 2004). Again, they show the BoBijou name as the customer/contact point. The invoices list the goods supplied as "BoBijou" business cards etc. Examples of these materials are shown in SY7, they carry no date (they are not claimed to be the ones produced in 2004) but I note that they use the BoBijou web-site address (later evidence shows that this website only came in to being in September 2006).

19. Examples of boxes and ribbons used as packaging for jewellery is provided in SY6 (they carry the BoBijou name) and invoices relating to the purchase of these packaging materials is shown in SY5 (dated 20 January 2004 and 18 March 2004). BoBijou is not listed here, but I note the invoice number commences "BBJ".

20. Ms You states that they expanded the business from early 2004. Shown at SY8 is a letter from a customer with the heading "to whom it may concern" stating that she (Ms Tracey Clement) has been aware of the BoBijou company since March 2004.

21. Reference is then made to a mail-shot to jewellery retailers that took place in 2004. SY9 shows a mail shot dated 16 March 2004 to Bourne End Jewellers and a list of approximately 150 post-codes that this mail-shot was sent to. SY10 consists of

two purchase orders said to have been generated from the mail-shot. The first is dated 7 April 2004 from *Robert Anthony Jewellers* and the second is dated 12 May 2004 from *Scruples Jewellers*. Letters are also provided in SY11 (although they appear to have been solicited for the proceedings) from *Robert Anthony Jewellers* (who confirm that they have been involved with BoBijou since May 2004) and the other from *Joys Exquisite Memorable Stones* (their date of involvement with BoBijou is less clear as they say 2004/2005).

22. It should be noted that the evidence (the purchase order) from *Scruples* is challenged by *BBL*. They say that they sent a copy of the purchase order to *Scruples* who responded by enclosing a letter (which was sent to *SSL*) stating:

“Although this document is headed with our trading name and address it does not conform to any part of stationery displaying our logo. The date of 12<sup>th</sup> May, 2004 is also not authentic. Our first order was placed with your company on the 19<sup>th</sup> October, 2005 and was taken at our shop by Mrs Shan You, trading under the name of Sykam Solutions Limited.”

23. Ms You next states that BoBijou jewellery has been available for sale on [www.molishop.com](http://www.molishop.com) (a commercial web-site owned by *SSL*) since June 2004. A print is shown in SY12 (printed on 15 October 2007) to show this. She states that the web-site attracts 2000 visits per month (but this is not broken down by time). *BBL* challenges this evidence by providing its own evidence from the internet archive service Wayback Machine. This provides an archive of what the molishop website looked like at various dates. It shows that the first time any form of jewellery was shown on the website was 29 October 2005 but this was marketed under the name “You Heng Shengh Collection”, no mention is made of BoBijou.

24. Reference is then made to further mail-shots (to individuals rather than retailers) promoting the BoBijou brand. The mail-shot recipients were identified via a database built up from the visitors to [molishop.com](http://molishop.com). A mail-shot sent in June 2004 is shown in SY13 and, Ms You states, that around 300 were issued (the postcodes are listed but not full details). This, Ms You says, led to sales. Customer invoices (June 2004 through to October 2004) are shown in SY14. The customer details are absent. Product numbers are used rather than descriptions.

25. Reference is made to attendance at trade shows. The largest attended is said to have been the Royal Highland Show in June 2005. An e-mail is shown in SY15 from the “trade stand manager” confirming attendance of molishop, with BoBijou jewellery being sold on its stand. The show was attended by over 150,000 people. Attendance was also made at The Ideal Home Show 2-28 March 2005, an extract from the mobishop website makes reference to this (printed on 15/10/07). Other events are listed including the Autumn Fair (3-6 September 2006) and Spring Fair (4-8 February 2007) at the NEC Birmingham; SY17 shows an exhibitors’ guide which lists BoBijou as an exhibitor at the NEC events.

26. The attendance at the Royal Highland Show is challenged by *BBL*. It provides a list of exhibitors from the show’s website (obtained from Wayback Machine), neither BoBijou, *SSL* or mobishop are listed.

27. Other smaller events were also attended including the Hopetoun House Summer Fair. An invoice dated 25 July 2004 is provided in SY18 to support this. However, this evidence is challenged in *BBL*'s evidence by the provision of an e-mail from Ms Hannah Verney, a marketing and events assistant at Hopetoun House. Ms Verney states in this e-mail:

“Further to our telephone conversation I would like to confirm that Sykam Solutions Limited attended our Summer Fair in July 2004 selling electronic bug swatting devices.

The attached receipt, however, is not authentic and was not sent by Hopetoun House Preservation Trust Ltd”

28. Reference is made to turnover figures for jewellery (both in the UK and for export) sold under the trade mark. This is said to be (for August to August periods):

2003-2004 £64,000 (£40,000 in the UK);  
2004-2005 £37,000 (£35,000 in the UK);  
2005-2006 £49,000 (all of which is in the UK);  
2006-2007 £100,000 (£68,000 in the UK).

29. Promotional/advertising budget in the respective periods is, £3,850, £11,300, £19, 890, £28,000.

30. Ms You states that a stand-alone BoBijou web-site has been in operation since September 2006. SY19 is the relevant “who-is” information and SY20 consists of pages from this website (printed on 23 August 2007).

31. Ms You states that *SSL* has built up a reputation in the sign BoBijou since first use in 2003. She refers to instances of confusion, the first of which took place at a trade fair in 2007 where a previous contact of theirs almost purchased from *BBL*, and secondly, another contact who had erroneously made an appointment with *BBL*.

32. Reference is made to a contract with Ideal Shopping Direct (a TV shopping company). Copies of the initial e-mails between the two companies are shown in SY21. She states that the first show selling BoBijou jewellery took place on 1 March 2006 on a programme called “The Vault”. Further evidence on this is given by Ms Carrie Clerk, a trade mark attorney at Groom Wilkes & Wright. Ms Clerk says that she spoke to Mike Stocks of Ideal Shopping Direct who confirmed the existence of a contract – he later sent Ms Clerk an e-mail stating that programs selling the goods were broadcast between March 2006 to June 2006, that the Vault is broadcast for 8 hours a day, with the potential audience being 8 million. He states that they sold products to 300 customers.

33. *BBL* filed further evidence to bring what Ms You has said into doubt. An article from the Edinburgh Evening News (dated 25 September 2006) about the “jewellery design brand” BoBijou includes the following text:

“Chinese engineering graduate Shan You, and her Livingston- born husband ken Merson, originally launched a wholesale business selling jewellery made in a factory in her home country to agents in Greece and France.

But Ms You, who studied for a postgraduate qualification in entrepreneurship at HEC business Management School in Paris, started to create her own designs after her now 19 month old daughter Ashley was born, and negotiated for them to be made in China and shipped to Scotland. In May this year, Ms You designed a full time jewellery designer and an IT manager, before launching her own design brand online in August. The designs are already being sold at independent shops throughout the UK.”

34. BBL also provides information from Companies House about *SSL*. The financial figures of *SSL* (all of which say that the company principally provides business consultancy) year ending 2004 is £64,238 with cost of sales figures (which I understand means costs of sales made by the company) of £5,763; year ending 2005 is £36,874 with costs of sales of £5,246; year ending August 2006 is £48,810 with costs of sales of £35,193. BBL highlight a number of tensions, firstly, that these figures match almost exactly the turnover figures quoted by Ms You in relation to BoBijou jewellery despite the fact that the accounts are meant to represent a company engaged principally in business consultancy. Secondly, the costs of sale are very low in 2004 & 2005 and could not, *BBL* say, represent a normal business mark-up for jewellery; this criticism is not made in relation to the 2006 figures as *BBL* consider this to be a more normal level of cost of sales against turnover for a jewellery business.

### **Probative value of the evidence relating to *SSL*'s business**

35. I should firstly say that *BBL* have provided a number of pieces of counter evidence which, on the face of it, seriously challenges and undermines the particular pieces of the evidence it counters. *SSL* has not met this challenge by providing further evidence to explain the inconsistencies, indeed, *BBL*'s counter evidence can be regarded as not challenged. This may have an impact not just on the individual pieces of evidence but also on the reliability of the whole of Ms You's evidence because if she has strayed from the truth on certain matters, the question arises as to the degree to which the other things she has said or provided should be believed.

36. Putting the purported pre-sale evidence (importation invoices/business material etc) to one side for the time being, I will focus initially on the evidence relating to customer exposure and sales. There is the mail-shot in March 2004 said to have been sent to 150 jewellery retailers (although only the postcodes are provided). Examples of two purchase orders resulting from this mail-shot are supplied, one of which (from *Scruples*) is undermined by the provision in evidence of a letter sent to *SSL* by *Scruples* with a clear indication that the purchase order was fabricated. Although the letter writer has not filed a witness statement himself, it has not been challenged, and I am, therefore, prepared to accept what has been said. This purchase order cannot be relied upon and I regard it as a fabrication. The same allegation cannot be levelled against the purchase order from *Robert Anthony Jewellers* as no counter evidence has been provided nor has counter evidence been presented in relation to the mail-shot itself taking place. However, I am conscious that if Ms You chose to file in evidence a fabricated purchase order to support sales

resulting from this mail-shot, this, to my mind, seriously calls into question whether the other purchase order was authentic and, indeed, the whole existence of the mail-shot. My concerns are compounded by the provision of only post-codes for the apparent recipients of this mail-shot, this would have limited the ability for investigations as to authenticity to have been made. All of this evidence is, therefore, unreliable.

37. I also note that in the letter from *Scruples* calling into question the authenticity of the purchase order, the writer indicates that he first purchased from Ms You on 19 October 2005. At the hearing, I was invited by Mr Wilkes to find that this established trade as of October 2005, however, given that the writer makes no mention of BoBijou and, instead, is at pains to say that Ms You was trading as Sykam Solutions Limited, this seems to me to count against SSL rather than for it.

38. We also have the “to whom it may concern” letter from Ms Tracey Clement stating that she was aware of BoBijou since March 2004. To whom it may concern letters are, effectively, hearsay, consisting of statements of which SSL have arranged the provision. Weight can sometimes be given to these letters in appropriate circumstances, however, given the challenges to the reliability/authenticity of SSL’s evidence, I am reluctant to place any weight on this at all. This also applies to the two letters from *Robert Anthony Jewellers* and *Joys Exquisite Memorable Stones* which are of a similar nature; the second of these letters was, in any event, a little vague in terms of when they had heard of BoBijou.

39. Next are the sales and presence of BoBijou jewellery on the molishop website. The counter evidence (from the WayBack Machine) suggests that this website never carried BoBijou jewellery. The challenge laid down by the counter evidence has not been met. I cannot, therefore, accept that BoBijou jewellery was sold on this website. This has a potential knock-on effect on the June 2004 mail-shot which was said to have been generated by using data supplied from customer visits to molishop. Whilst (contrary to *BBL*’s submission) it is possible for a database to have been compiled given that the molishop clearly existed (although not selling BoBijou goods), the reliability of the mail-shot is called into question given that the mail-shot itself refers to the availability of BoBijou jewellery on the molishop web-site. There are then orders which are said to have resulted from the mail-shot which suffers from the same knock-on effect. The orders could, of course, have been independent of the mail-shot, and there is no specific counter evidence in relation to this, but this is not what has been stated by Ms You who ties them directly to the mail-shot. As I have doubts on the background to the mail-shot, these doubts pass through to the orders also. The doubts are compounded, again, by the omission of full names and addresses (thus investigations concerning reliability of this evidence will become more difficult) and, furthermore, the tainting, in a general sense, of what Ms You has stated given the provision of evidence that I have already found to be fabricated.

40. Next come the trade fairs. The first, chronologically, was the Hopetoun House Summer Fair. Attendance at this fair is at least confirmed in the counter evidence but, the counter evidence introduces two serious matters neither of which is explained by SSL. Firstly, attendance was confirmed, but not for the selling of jewellery but for the selling of electronic bug swatting devices. Secondly, the representative of Houptoun House states that the invoice supplied by Ms You in

evidence is not authentic. I have little option other than to disregard this evidence as it appears to be another fabrication.

41. There is also attendance at the Royal Highland Show in June 2005. *BBL* questions attendance given the absence of its name from the list of exhibitors. *BBL* also highlighted at the hearing before me that the e-mail *SSL* received from the Trade Stand Manager and filed by *SSL* in its evidence uses the name BoBijou (in the body of the e-mail) but that it is underscored with a wavy line so indicating a spelling error – *BBL* observed that such spelling error indications do not appear in received e-mails (only in drafts created by the writer) which suggests some form of tampering. Whilst I understand this argument, this challenge was not put forward prior to the hearing so this alone would not have been enough to discredit the evidence. However, there are further problems with this e-mail. Firstly, there is no introduction to the e-mail which launches straight into factual statements about molishop's attendance – this seems strange in a business e-mail which must have been generated following some form of contact from *SSL*. I also find it strange that the trade stand manager at a large trade fair specifically recalls (some two years later) what molishop were selling on their trade stand (including the brand name) and that she also refers to it so specifically as “BoBijou Pearl jewellery”. These factors combine to place this evidence in doubt. Whilst I cannot say with certainty that this is another fabrication, there is enough doubt in my mind for me to place no real weight on this.

42. Further trade events are the Ideal Home Show in March 2005 (their attendance at this show is flagged on the molishop website with reference made to BoBijou jewellery) and the Autumn (2006) and the Spring (2007) fairs at the NEC Birmingham. The events at the NEC are at least corroborated by the exhibitor guide book, there is no counter evidence to this. I am content that these, at least, support that there was a Bo-Bijou jewellery business in the UK from September 2006. I have more doubt concerning the Ideal Home Show participation given that the only evidence beyond Ms You's statement is the extract from the molishop web-site making reference to participation at the event and the presentation of BoBijou jewellery together with electronic bug swatting device. My doubts stem from the general reliability of Ms You's evidence together with the fact that the website print was obtained on 15 October 2007 and there is nothing to support the fact that it was on the website at the date of the event. Indeed, the counter evidence in relation to the website suggests that no BoBijou jewellery was sold on it and, therefore, it would appear strange as to why information about a product not sold on the website is mentioned on the website at all.

43. In relation to the appearance on the TV shopping channel, there is no evidence to counter this. There is also corroborative evidence by way of e-mails sent to both Ms You (the initial contact between *SSL* and the shopping channel) and also Ms Carrie Clarke (a trade mark attorney working for *SSL*) with a representative of the shopping channel confirming that the appearance took place. Given this, there is no reason to doubt this evidence, it can be relied upon to show a presence on the UK market under the BoBijou name in March 2006. The initial contact seems to have taken place in August 2005.

44. There is, however, one further statement by Ms You that is challenged. At paragraph 20 of her statutory declaration she refers to confusion that *SSL* have become aware of. She refers to Tylers Department store who, Ms You says, were first contacted by *SSL* in the Autumn of 2005 and Tylers tried to then find them at the 2007 Spring Fair at the NEC (but mistakenly found *BBL*'s business). *BBL* filed evidence from Mr Tyler of Tylers Department Store and he confirms that his first contact with *SSL* was in June 2006 (not August 2005) and that they have never been a client of BoBijou. Whilst this could, ordinarily, be put down to a typographical error on the part of Ms You (although this has not been claimed), the other examples of fabrication and/or the provision of unreliable evidence leads me to conclude that this is another example of Ms You straying from the truth.

45. My analysis of the probative value of this evidence so far has (with the exception of the TV shopping channel evidence and the attendance at the Autumn and Spring fairs (in September 2006 and February 2007 respectively)) led me to either disregard some of it completely, to place no weight on some of it, or to have severe doubts regarding its reliability. Where I have expressed doubt, such doubts are compounded by the fact that the Companies House financial returns for *SSL* (principally a business consultancy or at least performing this role to some extent) does seem to be inconsistent against the fact that the claimed turnover for sales of BoBijou jewellery equates to the full amounts declared to Companies House. I also agree with *BBL* that if these figures did relate to sales of jewellery, the cost of inward sales (stock) seems too low to reflect the final turnover. These reasons combine to result in the turnover figures set out in Ms You's evidence also being regarded as unreliable.

46. The doubts I have expressed are further enforced by the article in the Edinburgh Evening News. It makes reference to the business beginning (although not necessarily a business utilising the name Bo-Bijou) as wholesale company importing jewellery for agents in Greece and France. The article places the design brand (given the context of the article this must be the Bo-Bijou brand) being launched on-line in August 2006, albeit with some stores already stocking it. Despite some stores already stocking it, the sense of the article is of a more recent launch, and certainly not a business offering jewellery for sale in the UK dating back to early 2004.

47. The evidence not yet discussed relates to the importation of goods in 2004 and also the provision of business cards etc. Although there is no counter evidence here, at the hearing Mr Evans highlighted that the first set out invoices from Zhejiang Ruan's Pearl Holding Company Ltd carry both the name BoBijou and Sykam Solutions Limited, but that different fonts are used, so indicating some form of tampering. He also highlighted that the goods are not listed here (only product numbers) and there is no indication that these goods were ever sold in the UK, particularly when this is contextualised against the possible early origins of the business of sourcing goods for others (Ms You's own evidence) for a company in Greece (this is also mentioned in the Edinburgh News article). In relation to the other invoice (from Lucy Pearl Ltd), nothing is challenged specifically here, although the same point remains in terms of whether this importation resulted in any sales in the UK. The same point applies to the business cards that were ordered in December 2003. Although the invoice refers to BoBijou businesses cards, the nature of the business at this time is not clear.

48. I should also say at this point that the BoBijou website information (exhibit CMG22) filed by *BBL* mentions the appearance of BoBijou and its jewellery in magazine/newspaper publications in August and November 2003, in the Herald Post in 2004, the Wedding Ideas magazine in October 2005 and in You and Your Wedding magazine in 2005. The concern I have with this is that these could easily have been filed in evidence by *SSL* but were not. Furthermore, there is a certain degree of contradiction. For example, it appears incongruous that an article can appear in August of 2003 featuring, apparently, BoBijou jewellery but, from Ms You's own evidence, the jewellery importation (let alone a UK jewellery business) did not start until November 2003, some three months later.

49. Based on all of the above, I regard Ms You as an unreliable witness. Whilst I am content to find that the BoBijou sign was used by *SSL* from early 2006 onwards in relation to UK sales of jewellery, the rest of the evidence is far from satisfactory. I am left with the impression that the sign BoBijou may have been utilised by *SSL* from 2004 and that a small number of sales in the UK may have been made (I used the word "may" in both instances because there is doubt even on this) however, the evidence cannot be relied upon to prove this. The business at this point in time may simply have been the import/export business working for agents in Greece and France. Ms You appears to have fabricated certain parts of her evidence and her accompanying story, perhaps with the intention of exaggerating *SSL*'s claim to senior user status, this, however, means that the real answer is that I do not know what the nature of the business was prior to 2006. The outcome, through clearly challenged and contradicted evidence, through the consequent unreliability of Ms You as a witness, and through the tainting impact that this has on the evidence as a whole, means that all I can find is that *SSL*'s business selling BoBijou jewellery in the UK is only proven to exist from 2006 onwards. I cannot, therefore, find that *SSL* is the senior user.

### **The passing-off claim**

50. Given that *SSL*'s defence, or at least the defence relied on at the hearing, was of being the senior user, and given that I have not been able to find that this is the case, I could leave matters at that. However, for the sake of completeness I must, of course, ensure that *BBL* is able to succeed on its passing off claim.

### **The material date**

51. The material date is the date on which *SSL* applied for its trade mark (9 February 2006), however, given the findings in established passing-off cases<sup>3</sup> I must also take into account the position at the date of the commencement of the conduct complained of (*SSL*'s use) in order to be satisfied that *SSL*'s use is liable to be prevented at the material date. However, given the findings I have already made, I consider the commencement of the conduct complained of relates to a period in the early part of 2006 (I cannot access the exact date). This coincides with the date of application so the position need only be assessed as of February 2006.

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<sup>3</sup> See, for example, *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429

## **Goodwill**

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

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first.”

53. It should also be noted that to qualify under the law of passing off, the goodwill must be of more than a trivial nature (see the decision in *Hart v Relentless Records* [2002] EWHC 1984). However, being a small player does not rule out possession of goodwill (see *Stacey v. 2020 Communications Plc* [1991] F.S.R. 49).

54. I do not need to go into detail here. This is because SSL conceded the existence of a relevant goodwill during the hearing that took place before me. This, in my view, is a reasonable concession to make. BBL's Bo-Bju business had, by the material date, been in operation for almost two years. It had sold goods on a retail and wholesale basis. It had advertised in some high profile magazines. It had custom as indicated by its turnover figures. Although the business is not a large player, it has done enough for me to find that it possesses a small but protectable goodwill in relation to the sale of jewellery with reference to the sign Bo-Bju.

## **Misrepresentation**

55. In relation to misrepresentation, Lord Oliver stated in *Reckitt & Colman Products Ltd v Borden Inc*:

“Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff.”

56. It is difficult, on the face of it, to see how a finding of misrepresentation can be avoided, certainly in relation to the sale of items of jewellery. The signs used in relation to their sale are Bo-Bju/BoBijou, signs which possess a high degree of visual, aural and conceptual similarity. The signs themselves are memorable and distinctive. There is evidence from both parties of confusion post 2006 at trade events etc. I note that some of this confusion did not ultimately end in deception or misrepresentation because the respective traders realised, despite the very similar business names being used, that the businesses were not the same. However, most of these traders appeared to know of the respective parties personnel and product range and were able to detect the subtle difference between them. However, the position must be quite different when the question is directed to the retail end. A member of the general public, will, undoubtedly be confused between the two signs and this would lead to a misrepresentation in the terms set out above.

57. I note that the goods and services as registered by SSL go wider than just jewellery (to other items of precious metal and chronometric apparatus, retailing and jewellery design etc.) but, I view all of these as being so closely related to jewellery that a misrepresentation will also follow here. Other items of precious metal etc. will simply be seen as an expansion of trade with such goods often sold through the same channels of trade. Retailing of such goods (as opposed to direct branding on goods) under the respective signs will also lead to a misrepresentation. The design of jewellery can form part of a bespoke jewellery services where goods are then supplied. I find misrepresentation in relation to all the goods and services.

### **Damage**

58. In relation to damage, Lord Oliver stated in *Reckitt & Colman Products Ltd v Borden Inc*:

Thirdly he must demonstrate that he suffers, or in a *quia timet* action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."

59. In *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31 it was stated:

"That he has suffered, or is really likely to suffer, substantial damage to his property in the goodwill by reason of the defendants selling goods which are falsely described by the trade name to which the goodwill attaches."

60. *BBL* filed evidence from its accountant showing a fall in turnover in the period when SSL's use came to its knowledge. I have to say that the fall is not great. Nor can it be known whether the fall can be put down to SSL's use diverting trade or, instead, to some other circumstances. Having said that, given the difficulty I have had in establishing the nature of SSL's business, I must assess the matter on a notional basis. In my view, damage is inevitable given the close relationship between the signs and the goods and services etc. Damage could come in a number of forms ranging from direct loss of sales, loss of opportunity for expansion of trade, potential for inferior quality damage.

### **Conclusion**

61. The ground under section 5(4)(a) is successful and, in accordance with section 47(6) of the Act, I hereby declare SSL's registration invalid and the registration deemed never to have been made.

### **Costs**

62. *BBL* having been successful and is entitled to a contribution towards its costs. At the hearing a claim was made by *BBL* for costs off the scale, approaching full compensation. I am prepared to consider costs off the scale as the nature of the evidence filed by SSL has been so seriously called in to question that its behaviour must be regarded as unreasonable. However, before giving further consideration to

what costs to award, *BBL* should provide me with a breakdown of the time and money expended as a result of these proceedings. A period of one month from the date of this decision is allowed in which to do so.

**Appeal period**

63. The date shown below is the date of my decision for the purposes of any appeal against my findings on the substance of this matter. The appeal period in relation to costs will run from the date on which I issue a supplementary decision on costs.

**Dated this 10<sup>th</sup> day of July 2009**

**Oliver Morris  
For the Registrar  
The Comptroller-General**