

O-204-08

TRADE MARKS ACT 1994

IN THE MATTER OF AN INTERLOCUTORY HEARING IN RESPECT OF  
REGISTRATION NO. 2341387 STANDING IN THE NAMES OF IMRAN  
HUSSAIN, RIZWANA HUSSAIN, MAARIAH HUSSAIN, DANYAAL HUSSAIN  
AND ZAHRA HUSSAIN

AND

AN APPLICATION FOR A DECLARATION OF INVALIDITY UNDER NO.  
82817 BY GREEN BABY LIMITED

## TRADE MARKS ACT 1994

IN THE MATTER OF an interlocutory hearing in respect of registration No. 2341387 standing in the names of Imran Hussain, Rizwana Hussain, Maariah Hussain, Danyaal Hussain and Zahra Hussain and an application for a declaration of invalidity under No. 82817 by Green Baby Limited

### **Background**

1. Registration No. 2341387 is for the mark TUSHIES and stands in the names of Imran Hussain, Rizwana Hussain, Maariah Hussain, Danyaal Hussain and Zahra Hussain (“The Hussains”). It has a registration date of 3 September 2004. An application to declare the registration invalid was filed on 27 March 2007 on behalf of Green Baby Limited (“Green Baby”).

2. The proceedings followed the usual pattern with the Hussains filing a defence and counterstatement and both parties, in turn, filing evidence. The evidence consists of the following witness statements:

Stage of proceedings	Name of witness
Applicant’s evidence in chief	Naazneen Schmittzehe
Registered proprietor’s evidence	Rizwana Syeda Hussain
Applicant’s evidence in reply	Naazneen Schmittzehe

3. Following the filing of the last of this evidence, a substantive hearing was appointed to take place on 7 April 2008.

4. By way of a letter dated 13 March 2008, Appleyard Lees, acting on behalf of the Hussains, challenged the second witness statement of Naazneen Schmittzehe. Indicating it was not considered to be wholly “in reply”, they requested that part of the witness statement be struck out. Hamlins, acting on behalf of Green Baby, then sought to file additional evidence. There was a somewhat frantic exchange of correspondence directly between the parties (which was copied to the registrar) which did not resolve these issues and which culminated in the substantive hearing being postponed and an interlocutory hearing being appointed.

5. The hearing to determine the issues took place before me on Monday 12 May 2008. Jacqueline Reid, of counsel, represented the Hussains, Amanda Michaels, also of counsel, represented Green Baby. The issues to be determined were: whether Ms Schmittzehe’s second witness statement filed was wholly “strictly in reply” and Green Baby’s request for leave to file additional evidence in the form of a witness statement by Jonathan Barker, and exhibits, dated 1 April 2008.

6. I received skeleton arguments from both parties. I also received a witness statement of Dr David Moy, an attorney in the employ of Appleyard Lees and which Ms Reid confirmed was filed purely in support of arguments in relation to the interlocutory issues and was not evidence in the substantive proceedings. In addition, shortly before

the hearing, I received an email which had been sent to the registrar during the afternoon of the Friday before the hearing, and which gave details of two further cases to which Ms Michael intended to refer.

7. Despite lengthy submissions from both parties, at the hearing Ms Reid indicated that, given the lateness of the filing of the email referred to above, she had had insufficient time to read and fully consider the additional cases mentioned in it. I therefore indicated that I would delay the issue of my decision and allowed her until close of play on 14 May to file, in writing, any further submissions she wished to make with Ms Michaels being allowed until close of play on 16 May to consider those submissions and file a response to them (if any).

8. Additional submissions were received from Ms Reid on 14 May. I did not receive additional submissions from Ms Michaels. I issued my decision by letter dated 20 May 2008. The relevant parts of my letter stated:

“Evidence strictly in reply

The evidence in dispute is contained within paragraph 6 of Ms Schmittzehe’s witness statement. The disputed wording reads:

“Indeed it is interesting to note that, part of Multibrands business appears to be based upon identifying goodwill in other people’s brands and adapting them to their own ends so exploiting the goodwill and reputation of others. For example, a well known brand such as “Duracell” for batteries is registered by them as “Supercell” and “Sensodyne” for toothpaste is “Fluorodyne”. Accordingly, it is the Applicant’s belief that the Registrant had prior knowledge of the Applicant’s use and reputation in the mark and registered the mark in bad faith.”

I do not consider that the part of this paragraph which I have underlined is evidence strictly in reply. Whilst the issue of bad faith is extant in these proceedings, the objection appears to me to be raised in terms of alleged prior knowledge only of the mark the subject of these proceedings. I therefore determine that Ms Schmittzehe’s witness statement should be redacted to delete the underlined wording appearing above.

Applicant’s additional evidence

This takes the form of a witness statement of Jonathan Barker dated 1 April 2008 and exhibits JB1–JB5. I reject the registered proprietor’s submissions that I should consider the request in terms of the principles applicable to a request for an extension of time for filing evidence. I accept that limited reasons were put forward as to why this evidence could not have been filed earlier and that some of it appears to be either submission or duplicative of what has already been filed. It seems to me, however, that the evidence does contain some information which may be of significance. I find on balance that the

evidence should be admitted into the proceedings. In doing so, I make it clear that the weight to be given to all or parts of the evidence remains a matter for the Hearing Officer hearing the substantive issues to determine.

Having admitted the additional evidence into the proceedings, and with no objection from the applicant, I consider it is appropriate for the registered proprietor to be allowed a period to consider that evidence and reply to it if necessary. I therefore allow a period of six weeks from the date of this letter for the registered proprietor to file any additional evidence. Any such evidence should be filed therefore on or before 1 July 2008.”

9. Under cover of a letter dated 20 May 2008, a Form TM5 was filed by the Hussains seeking a statement of the reasons for my decision. For completeness, I should say that at this point it became clear that additional submissions had, in fact, been filed by fax by Ms Michaels on behalf of Green Baby prior to the issue of my decision. These additional submissions were sent to a fax within the London office but, regrettably, appear to have been lost within the UK-IPO and had not reached me (indeed have still not reached me). A replacement copy was requested and received and, with the agreement of the parties, I reviewed them. In a letter to the parties and dated 3 July, I confirmed that the additional submissions did not alter the decision I had reached previously. I therefore write this statement of the reasons for my decision with the agreement of both parties and on the basis of all the material now before me.

**Issue: Whether evidence strictly in reply**

10. Rule 33A of the Trade Marks Rules 2000 (as amended) sets out the procedure for filing evidence in invalidation proceedings. It states:

“33A. –(1) The applicant, within six weeks of the initiation date –

(a) shall file any evidence he may consider necessary to adduce in support of the grounds on which the application was made; and

(b) where –

(i) the application is based on an earlier trade mark;

(ii) neither section 47(2A)(a) nor (b) applies to the mark; and

(iii) the truth of a matter set out in the statement of use is either denied or not admitted by the proprietor,

shall file evidence supporting the statement of use.

(2) Where the applicant files no evidence under paragraph (1), he shall, unless the registrar otherwise directs, be deemed to have withdrawn his application.

(3) The registrar shall notify the proprietor of any direction given under paragraph (2).

(4) The proprietor may file any evidence he may consider necessary to adduce in support of his case –

(a) within six weeks of the evidence being filed under paragraph (1);  
or

(b) within six weeks of the registrar sending him a notification that a direction has been given under paragraph (2).

(5) Where the proprietor files evidence under paragraph (4), the applicant may, within six weeks of such evidence being filed, file any evidence in reply; such evidence shall be confined to matters strictly in reply to the proprietor's evidence.

(6) The registrar may, at any time if she thinks fit, give leave to either party to file evidence upon such terms as she thinks fit.

(7) ....

(8) ....

(9) ....”

11. The Hussains having filed evidence under rule 33A(4) in support of their case, Green Baby was entitled, under rule 33A(5), to file evidence strictly in reply to it. The issue of what constitutes evidence in reply was considered in *Peckitt's Application* [1999] RPC 337. The relevant headnote indicates:

“(12) Evidence “strictly in reply” must not be evidence of a sort which would give cause for the other party to put in further evidence on a substantive issue and must not involve a departure from a case put in chief. It might, however, comment upon the other party's evidence with the aim of finality and the fixing of a hearing at an early stage. If it neither altered nor strengthened the party's case and was not such as to prolong the pre-hearing procedure by justifying another round of evidence from the other party, it should be allowed to stand.”

12. Green Baby filed evidence in reply in the form of Ms Schmittzehe's second witness statement. The disputed part of this statement, which I have set out above at paragraph 8, begins with the words “It is interesting to note”. It is therefore open to question whether what follows this phrase is, in fact, evidence at all; whether it is something of an aside, or intended to raise a new ground, or further explain an existing ground, of bad faith. Putting that matter aside, what follows the phrase are examples of what I presume Ms Schmittzehe considers as a pattern of behaviour regarded as unacceptable exploitation of third parties' marks by the Hussains' company, MultiBrands International Ltd.

13. In order for me to determine whether this evidence is “strictly in reply”, it is necessary for me to consider the content of that evidence in light of the Hussains’ own evidence. The Hussains’ evidence consists of a single witness statement by Rizwana Hussain. It is not particularly lengthy, having some fourteen paragraphs. Paragraphs 1-3 are what could be described as purely scene setting ones, providing information about Mrs Hussain, her position in her company and the sector in which her company operates. Paragraph 14 does not contain evidence.

14. The substance of Mrs Hussain’s evidence is contained in paragraphs 4-13 and I intend to consider these in greater detail.

Paragraph 4: This gives no specific information but indicates that the processes followed in adopting available and distinctive trade marks are stringent and thorough.

Paragraph 5: Again no specific information is given but Ms Hussain states that the development of a new brand takes several months of thought and research and that focus groups may be used. She also explains that searches of existing registers are carried out and checks made with relevant trade bodies and legal associations. She does not specify any particular trade mark on which these actions are or have been carried out.

Paragraph 6: Explains when TUSHIES was originated and that it was subject to consideration by focus groups.

Paragraph 7: Confirms TUSHIES was subject to the checks set out in paragraph 5.

Paragraph 8: Sets out how many people were involved in providing feedback on TUSHIES.

Paragraph 9: Gives details of when registration of TUSHIES was applied for in the UK. Confirms TUSHIES was also applied for under the Madrid Protocol designating some 59 countries one of which was the US. States this US designation was not pursued because of a previously unknown earlier registration.

Paragraph 10: Introduces exhibits of emails between a Multibrands employee and Boots from 4 January 2005 onwards discussing TUSHIES.

Paragraph 11: Further information re Boots/TUSHIES.

Paragraph 12: Refers to Ms Schmittzehe’s first witness statement and responds by providing information about Multibrands’ website.

Paragraph 13: Refers to Ms Schmittzehe’s first witness statement and sets out extent of prior knowledge of use of TUSHIES by others.

15. Both parties made submissions on the extent of the claim to bad faith in these proceedings. For completeness, I would say at this point that the proper vehicle for setting out the applicant's grounds of objection are the pleadings, filed in this case on Form TM26(I). On this form Green Baby sets out its claim that the mark was applied for in bad faith in the following terms:

“The Applicant contends that the proprietors of British Trade Mark number 2341387 had prior knowledge of the Applicant's use and reputation of the Mark. Further, this has been admitted in email correspondence where the proprietors of British Trade Mark number 2341387 admitted knowing of US Trade Marks Registration number 150151. By implication, this is evidence of the fact that the proprietors of British Trade Mark number 2341387 knew of the Applicant's business in the US and by extension knew of the Applicant's business and reputation in the UK.”

16. Ms Michaels submits the claim to bad faith is sufficiently pleaded and that the Hussains would not be prejudiced by the disputed part of Ms Schmittzehe's evidence being admitted into the proceedings. For her part, Ms Reid submits that the pleadings do not foreshadow such an allegation as Ms Schmittzehe makes and, in any event, the allegations are misleading and wrong. In this regard, the Hussains filed a witness statement of David Moy dated 2 May 2008. As I indicated earlier, Ms Reid confirmed that this evidence was filed solely in support of the matters to be discussed at the interlocutory hearing and she was not seeking to have it admitted in the substantive proceedings. Ms Michaels did not object to my considering it.

17. Dr Moy is a trade mark attorney authorised to make the witness statement on behalf of the Hussains. I do not intend to summarise his evidence save to say that it indicates that neither the Hussains nor their company hold any UK registrations for the marks as mentioned in the disputed part of Ms Schmittzehe's witness statement.

18. Despite a careful reading, I am unable to identify anything in Mrs Hussain's witness statement which would allow me to say that the disputed wording adopted by Ms Schmittzehe in her evidence is evidence strictly in reply to that earlier filed evidence. Nor do I consider that the disputed wording in paragraph 6 of Ms Schmittzehe's evidence can be taken to relate back to anything raised in the pleadings. I can see nothing in the pleadings that raise an issue of use of any marks other than the one now under attack. There is nothing to suggest any particular pattern of misbehaviour which the Hussains may follow when adopting trade marks. I have heard or seen nothing to convince me that the disputed wording in Ms Schmittzehe's witness statement is, in fact, evidence, however, even if it is, I consider its inclusion would simply lead to a spurious argument as to the identity and ownership of the marks referred to and the similarity or otherwise of each identified “pair” of marks and their relevance to these proceedings.

19. In all the circumstances, I determined that that part of Ms Schmittzehe's witness statement which I have underlined at paragraph 8 above, does not constitute evidence in reply and should be struck out.

**Issue: Green Baby's request to file additional evidence**

20. The evidence consists of a witness statement by Jonathan Barker dated 1 April 2008 and exhibits J.B.1-5. It was received under cover of a letter also dated 1 April. The letter sought permission to adduce it “since it is highly material to the issues to be determined by the Registrar”. The admittance or otherwise of this evidence was the subject of part of the correspondence between the parties to which I referred at paragraph 4 above. The parties did not reach any agreement but in any event it is a matter for the registrar to determine whether leave to file additional evidence should be granted.

21. In her submissions, Ms Michaels explained that the evidence now sought to be adduced is highly relevant as it goes to i) the central issue of goodwill in the TUSHIES mark at the relevant date, ii) provides third party evidence of that goodwill and iii) relates to the evidence given by Mrs Hussain in her witness statement as to prior dealings with Boots the Chemist and as to her company’s website. She also accepted that there was no compelling reason for the lateness of the evidence but added that there was no uncompensatable prejudice in allowing its admittance.

22. For her part, Ms Reid objected to the admittance of this evidence. In her skeleton argument and at the hearing, she sought to argue that I should consider the request to file the evidence as if it were a request for an extension of time under rule 68. I rejected this argument. The request made by Green Baby is clearly a request for leave to file additional evidence under rule 33A(6) and I proceeded on that basis.

23. Ms Reid said there was no reason why the evidence could not have been filed earlier, indeed it was more properly evidence in chief and *should* have been filed earlier. Its admission had already delayed, and would further delay, the substantive decision being reached, would add to the costs of the proceedings and would cause prejudice to the Hussains. In addition it was, in short, neither highly relevant nor compelling.

24. There is no dispute that the registrar has the vires to admit additional evidence. This is set out in rule 33A (6) which states:

“The registrar may, at any time if she thinks fit, give leave to either party to file evidence upon such terms as she thinks fit.”

25. The admittance of additional evidence is provided for under a discretionary power and each case must be considered on its merits. That said, a number of relevant factors have been identified when considering whether to allow the admittance of such evidence. In *Hunt-Wesson Inc’s Trade Mark Application (Swiss Miss)* [1996] RPC 233 and affirming an earlier decision laid down in *Ladd v Marshall* [1954] 1 WLR 1489, the following relevant factors to be considered were identified:

- whether the evidence could have been filed earlier and, if so, how much earlier
- if it could have been filed earlier, what is the explanation for the late filing
- the nature of the mark
- the nature of the objections
- the potential significance of the further evidence

- whether or not the other side would be significantly prejudiced by the admissions of the further evidence which could not be compensated for by costs
- the desirability of avoiding multiplicity of proceedings
- any public interest.

This view was supported in *Yosif Abdulrahman Al-Bassam Trading Establishment's Application* (BL-O-467-02) where the Appointed Person considered the following to be of relevance:

- the materiality of the evidence to the question needed to be determined
- the seriousness of the irregularity which the Registrar is being asked to rectify
- the justice and fairness of subjecting the opposite party to the burden of evidence in question at that stage of the registry proceedings.

26. These cases determined the position regarding the admission of additional evidence on appeal. I, of course, am dealing with a case at first instance. In *Saville & Holdsworth Registration* O-050-08, the Hearing Officer considered the admittance of additional evidence at first instance and said:

“In admitting the evidence I considered the following factors. Could it possibly have an influence on the outcome of the case? I do not consider that it is necessary that it is a probability that the additional evidence would have an influence, just a possibility. I considered that the additional evidence could have had an influence upon the outcome of the case. Could the filing of the additional evidence be viewed as an abuse of process? It could be that the additional evidence that a party wishes to file has already been shut out by a refusal of an extension of time. It cannot be appropriate to have the extension of time rules circumvented by the filing of additional evidence. In such circumstances the evidence could hardly be described as being additional. It could also be that the filing of the additional evidence is primarily a delaying tactic. I do not consider that there is any hint of an abuse of process being involved in this case. I also took into account that if I shut the evidence out it was quite possible that Group would apply to have it admitted into appeal proceedings, if there were any. So by shutting the evidence out there would be increased uncertainty. In admitting additional evidence the other party can be compensated in terms of costs, if it cannot be compensated in terms of delay and uncertainty.”

Whilst this is perhaps a simpler approach than that adopted by the appellate courts, it does not appear to me that the Hearing Officer's reasoning is out of step with those earlier decisions. I therefore adopt his reasoning in these proceedings.

27. As I indicated above, the evidence now sought to be adduced consists of a witness statement and exhibits by Jonathan Barker. Mr Barker is a Director of Green Baby and has been since April 1999. I consider him to be a relevant and direct witness given his position within the company at the relevant date. Mr Barker's witness statement is, as is unfortunately all too common in proceedings before the registrar, a mixture of submission and evidence. I do not intend to summarise it fully. It is sufficient to say that it introduces a number of exhibits in the form of:

- emails and a witness statement from third parties which is intended to show the trade and public knowledge of the mark at the relevant date
- archive material to show the respective parties' former website pages
- invoices and sales listings to support the details he gives of his company's sales figures and customer base
- advertising and editorial material

28. The evidence which Green Baby now seeks to file was undoubtedly filed very late in proceedings having been received on 1 April 2008, just a week before the substantive hearing had been due to take place. Green Baby explains the lateness in its letter of 8 April in the following terms:

“The reason why this evidence is late is that in reviewing the evidence submitted, our client decided to ask for independent third party confirmation of the position relating to our client's good will and reputation prior to 21<sup>st</sup> August 2003 and to investigate with James Thompson at Boots the allegations made in Rizwana Hussain's Witness Statement. Obviously this information is not in our client's control and we still await confirmation in writing of the telephone conversation between our clients and James Thompson at Boots.”

29. In the witness statement he seeks to have admitted, Mr Barker also acknowledges the lateness of the request. Although he gives no further explanation of the reason for the lateness he does indicate that a number of documents he exhibits have “just been sent” to him. He does not specify who sent him the documents but they include various copy emails and a witness statement from a third parties which bear dates very close to that on which his witness statement was signed.

30. It seems to me that the information given to explain the lateness of the request to file additional evidence is not strong. The wish to file additional evidence and the content of that evidence itself appears to have been identified only after a review of the evidence filed by the other side in preparation for the substantive hearing. Some of the exhibited material is dated March 2008 but no explanation is given to challenge the Hussains' view that the information within it could have been obtained earlier. Certainly the invoices and advertising etc. material exhibited date back several years and would have been obtainable earlier. Indeed some of the advertising material was duplicative of what had previously been filed by the earlier witness. Some of the additional evidence they had stated they wished to file, (i.e. confirmation of the telephone conversation with the Boots' employee) was not, in fact, included.

31. That said, the additional evidence is given by an officer of the applicant company who can be expected to be in the best position to have direct knowledge of the information he provides. It includes some turnover figures, invoices and information from third parties. I consider that parts of the evidence are potentially significant given the grounds on which the application for a declaration of invalidity is made. (I put it no higher than that; it is, as I indicated in my after hearing letter to the parties, a matter for the Hearing Officer hearing the substantive case to determine at the appropriate time what weight, if any, should be given to any evidence he has before him).

32. That consideration of the request for leave to file additional evidence has caused a delay, is clear. But I do not consider it to have caused or be likely to cause any significant delay over and above that generated by the issue of the status of the evidence in reply.

33. I do not consider that admitting the evidence would cause any prejudice that could not, if necessary, be compensated by an award of costs. I should point out that Green Baby accepted that it would be expected to pay any reasonably incurred costs which may be thrown away by its request to file the additional evidence. In my view it was right to do so.

34. Despite the lateness of the request, taking all relevant considerations into account and not without some hesitation, I decided, on balance, to grant Green Baby leave to file the additional evidence.

35. As a consequence, I also allowed the Hussains a period of six weeks to consider the evidence and file any additional evidence it might consider was necessary. That period has been suspended pending the preparation by me of this statement and pending any appeal against my decision.

**Other issues:**

36. I declined to make an award of costs at this stage but indicated that it remains open to the Hearing Officer in the substantive proceedings to take into account any additional award which may flow from my decision to admit the additional evidence and allow the Hussains to file additional evidence itself.

**Dated this 16 day of July 2008**

**ANN CORBETT  
FOR THE REGISTRAR  
The Comptroller-General**