

O-222-07

**TRADE MARKS ACT 1994**  
**IN THE MATTER OF APPLICATION Nos 2322346A & 2322346B**  
**BY ORDO TEMPLI ORIENTIS**  
**TO REGISTER TWO SERIES OF TWO TRADE MARKS**  
**OTO/ O T O & O.T.O./O. T. O.**  
**IN CLASSES 9, 16 & 41**

**AND IN THE MATTER OF CONSOLIDATED OPPOSITIONS THERETO**  
**UNDER Nos.92269 & 92270**  
**BY STARFIRE PUBLISHING LIMITED.**

## BACKGROUND

1) On 31 January 2003, Ordo Templi Orientis of JAF Box 7666, New York 10116-4632, United States of America applied under the Trade Marks Act 1994 for registration of a series of four trade marks, which, for administrative purposes, were split into two series of two trade marks as follows:

Mark	Number	Class	Specification
OTO O T O.  By Consent No. E768739 and E2345700	2322346A	9	Printed publications in electronic readable form.
		16	Printed matter; printed publications, books, stationery.
		41	Instruction, education and training services all relating to religion and religious matters.
O.T.O. O. T. O  By Consent No. E768739 and E2345700.	2322346B	9	Printed publications in electronic readable form.
		16	Printed matter; printed publications, books, stationery.
		41	Instruction, education and training services all relating to religion and religious matters.

2) On 26 January 2004 Starfire Publishing Limited of 9 Temple Fortune House, Finchley Road, London, NW11 6XH filed notice of opposition to the application. The grounds of opposition are in summary:

a) The letters OTO/O.T.O. are an acronym derived from the initial letters of the name Ordo Templi Orientis (hereinafter OTO) which is the name of a spiritual fraternity which emerged from European freemasonry around 1905. OTO has schismed several times since then, and many of the schisms retain the name and assert that they are the only legitimate OTO. These schisms also use the acronym OTO / O.T.O. The marks in suit are therefore incapable of distinguishing the goods and services of one undertaking from those of other undertakings. The marks therefore offend against Sections 1(1) and 3(1)(a) of the Trade Marks Act 1994.

b) Because OTO is not a single organisation but a general name given to a set or system of beliefs and practices, the acronyms applied for are not distinctive as trade marks and should be refused under Section 3(1)(b) of the Act.

c) The marks applied for consist exclusively of signs or indications which serve to designate characteristics of the goods and services specified in that they represent, and are used in normal speech and writing to refer to OTO, a system of beliefs and practices. The marks therefore offend against Section 3(1)(c) of the Act.

d) The marks applied for consist exclusively of signs or indications which are customary in the current language or in the bona fide and established practices

of the trade. The applications should therefore be refused under Section 3(1)(d) of the Act.

e) The applicants were aware, at the time of application, that they had no right to the exclusive use of the marks applied for, and of the implications if registration were granted. The applications have therefore been made in bad faith and offend against Section 3(6) of the Act.

f) The opponent has used the marks OTO and O.T.O. in relation to publishing services and books and other publications since at least 1986 in the UK and has gained a reputation and goodwill in this way. Through this medium, the opponent offers a programme of spiritual training. If the marks applied for are found not to offend against Section 3 the opponent has common law rights in the UK which extends to the goods and services specified in the applications. Use of the marks by the applicants would give rise to confusion in the market place and would damage the opponent's goodwill and business. The applications therefore offend against section 5(4)(a) of the Trade Marks Act 1994.

3) The applicant subsequently filed a counterstatement denying the opponent's claims. However, at paragraph 1 it is stated, "Insofar as the United Kingdom is concerned it is denied that "Ordo Templi Orientis" has schismed several times over the years and it is further denied that many of those schisms retain the name and assert that they and they alone are the only legitimate Ordo Templi Orientis." Whilst at paragraph 4 it is stated, "The applicant is aware that at the time of application their organisation was not the only organisation using the name Ordo Templi Orientis and the abbreviations O.T.O and O. T. O. The applicant will seek to show that none of these organisations had a legitimate right to use the trade mark or name Ordo Templi Orientis and the abbreviations O.T.O and O. T. O."

4) Both sides filed copious evidence in these proceedings, much of which relates to the history of the cult, although the versions put forward by both parties differ considerably. I have referred sparingly to this evidence as for the most part it did not assist my decision. Both sides ask for an award of costs. The matter came to be heard on 27 February 2007 when the applicant was represented by Mr Nichol and Ms Clark of Queen's Counsel and Counsel respectively instructed by Messrs Barlin Associates and the opponent was represented by Mr Hacon of Counsel instructed by Messrs Saunders & Dollymore.

## **OPPONENT'S EVIDENCE**

5) The opponent filed four statutory declarations, an affidavit and a witness statement.

6) The first statutory declaration, dated 25 November 2004, is by Michael Staley the Managing Director of the opponent company. He states that he has held this position since 1996 and before this ran the business as an unregistered company from 1986. He states that his company "specialises in the publishing of an esoteric journal entitled STARFIRE, and books and other publications relating to the occult, and in particular to a movement known as Ordo Templi Orientis". He states that through these publications the opponent provides a programme of spiritual training.

7) Mr Staley states that the OTO was established by 1905, and is often referred to by this acronym both verbally and in print. He states that the Order has splintered over the years and that today there are several groups worldwide who consider they are using the name and acronym OTO legitimately as they can trace their lineage back to the original Order. He states that the applicant is one such group that is often referred to as the Caliphate Ordo Templi Orientis (hereinafter COTO). He states that his publication STARFIRE is the official publication of another group based in the UK known as the Typhonian Ordo Templi Orientis (hereinafter (TOTO)). At exhibit MS1 he provides a history of the OTO, which mentions various splits and underhand dealings. He states that he believes the history to be correct as he has been a member of TOTO since 1976. At exhibit MS2 he provides copies of his membership certificates where he agrees “to maintain a daily Magical Record” and also to “work unremittingly towards the establishment upon Earth of the Kingdom of Ra-Hoor-Khuit”. He states that OTO is a spiritual fraternity, which he defines as a set or system of beliefs and practices. He likens the Order to Christianity which has “fractionated” over the years to include, inter alia, Roman Catholics, Anglicans, Methodists and Baptists.

8) Mr Staley states that the acronym OTO has been used in the UK since 1913 when the UK branch of OTO was formed by Aleister Crowley. The acronym was apparently referred to in a number of books by Mr Crowley, although the first use that has been traced is in 1948 which is a manifesto of the British Branch of the Order. At exhibit MS3 he provides a copy. The term OTO is shown on the front cover and is used in the text. The photocopy is not dated. Also at exhibit MS3 is another undated publication, which is said by Mr Staley to have been published in 1955. This document is entitled “Manifesto of new Isis Lodge”. Mr Staley also states that the acronym was used by Kenneth Grant throughout various books published between 1972- 2002. Mr Staley provides copies of the covers of these books, at exhibit MS4. On these covers, in the “notes on the author”, mention is made of OTO, but it does not figure upon the external cover or in any trade mark manner.

9) Mr Staley provides his opinion that the applicant has no right to monopolise the acronym OTO any more than someone in the Anglican church should be allowed to register “Christian”. He states that his company has used the acronyms OTO and O.T.O in relation to publications, books and newsletters since at least 1986. He provides turnover figures as follows:

Year	Turnover £
1998 / 1999	2,146
1999 / 2000	1,624
2000 / 2001	1,282
2001 / 2002	752
2002 / 2003	826
2003 / 2004	716

10) Mr Staley states that STARFIRE was last published in 1999. He states that the market for such goods in the UK is small and the turnover has decreased as the market has become saturated. He states that the next publication is in the planning stage and should be published in late 2004. He states that a typical print run is 600 and that

these would take about five years to sell. He states that certain books were offered to the general public, others were sold directly to members of his Order. He states that he has personally received applications for membership of OTO from people who believed TOTO to be the same as COTO. He states that the applicant has already tried to stop the opponent using the mark on their publications. Mr Staley states that the reason for the behaviour of the opponent is commercial. He states that TOTO do not place a financial obligation on members, whereas he claims that the opponent is seeking financial gain from charging members to use of copyright. He states:

“20. This is an attempt by the applicant to use the legal system to gain a monopoly to which they are not entitled, so as to try to extinguish other OTO groups. If my group is extinguished then they will take up our membership, passing themselves off as being the official publisher for OTO texts and the “only” Ordi Templi Orientis.”

11) Mr Staley provides copies of a number of leaflets and other publications which use the acronym OTO either in the title or in the text. None of the use shown can be regarded as showing trade origin. They clearly show that OTO is used as the name of a religious order or cult.

12) The opponent filed an affidavit, dated 24 November 2004, by Peter Robert Koenig, a Swiss citizen which states that he is fully conversant with the English language. He provides details of his extensive studies into the various groups, world wide, which all call themselves OTO. I do not find these of assistance in reaching my decision, other than showing that such groups exist. Clearly some have been in existence longer than others, and it would appear that there are a number of disputes over who are the “true” followers. Mr Koenig states that the applicant purchased the copyrights to the writings of Aleister Crowley one of the earliest leaders in the whole movement. He states that the applicant has enforced these copyrights in legal proceedings in the USA and Europe. He accuses the applicant of being “little more than a commercial concern”. At exhibit PRK4 he provides copies of two book covers. One has as its title “O.T.O.” then a Masonic device, with underneath the words “Rituals and sex magick [sic]”. The other cover shows the title “The Secret Rituals of the O.T.O.”. He states that these show the term OTO being used generically and not as a trade mark.

13) The second statutory declaration, dated 18 November 2004, is by Roland Williams from Belgium. He states that he is the “Outer Head of the Order (OHO of the Ordo Templi Orientis Foundation (OTOF)”. He states that he has been involved with the OTOF for eight years and with other organisations calling themselves OTO before this. He states that to the best of his knowledge the letters OTO and the words Ordo Templi Orientis are currently being used by at least four different organisations that he has had direct contact with and another four with whom he has not had direct contact. He states that all the groups who use the name and/or initials have as their underlying principle the Law of Thelema.

14) The opponent filed a witness statement, dated 8 December 2004, by Janice Margaret Trebble the opponent’s Trade Mark Attorney. She provides at exhibit JMT1 a certified copy of a letter written by Kenneth Grant to John Symonds dated 9 March 1966. The exhibit also contains a comment regarding the provenance from Mr

Ferne. She also provides translations of some of the documents included in Mr Koenig's affidavit. The translations do not assist my decision and so will not be detailed. The letter from Mr Grant details his claim to be the "only person to have operated OTO degrees in Great Britain since A.C. [Aleister Crowley] died". The letter appears to be a justification for Mr Grant's claim to be the sole official Head of the Order in Great Britain, and also an attempt to undermine the position of Gerald Gardner.

15) The third statutory declaration, dated 4 January 2005, is by Robert Curley. He states that he has been actively involved in the OTO for ten years and is Head of Albion O.T.O. based in Central London. He provides a brief history of the movement and states that since the death of Aleister Crowley in 1947 there has been a diversity of development of the OTO schools worldwide, resulting in many different types and traditions of the OTO around the world. He states that no-one has the right to claim the name OTO any more than someone trying to claim BUDDHIST as a trade mark. He also states that there is no worldwide head of the OTO.

16) The fourth statutory declaration, dated 10 January 2005, is by Benjamin Fernee. He states that he joined COTO around 1988, being expelled eleven years later. He states that the acronym OTO/O.T.O. stands for Ordo Templi Orientis. He states that various groups use the term. He states that the various groups have varied traditions and have disagreed on the legitimacy of each other.

#### **APPLICANT'S EVIDENCE**

17) The applicant filed eight witness statements. The first, dated 19 July 2005, is by Nigel John Parnell the applicant's Trade Mark Attorney. He provides at exhibit NJP1 details of UK and Community trade mark registrations for THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS, SEVENTH-DAY ADVENTIST, and THE UNITED REFORM CHURCH.

18) The second witness statement, dated 18 July 2005, is by Bradford Verter, a professor of social science at Bennington College (Vermont). He states that he is an independent expert in matters relating to the history of religion and cultural theory including the history of the applicant COTO. He states that his is not, nor has he ever been a member of OTO or any other Thelemic organisation. He disputes the various claims made in the opponent's evidence to the effect that OTO is a generic term. He states that the abbreviations OTO and O.T.O. :

"...refer only to a specific and unique organization. Neither Aleister Crowley nor any other religious leader nor any other historian ever used these terms in the generic sense to identify a set or system of beliefs and practices common to multiple organizations or businesses. Although multiple institutions of what the historian Ellic Howe called "fringe masonry" may have claimed the title, I fear they may have done so in error. Writers have always used the title to refer to a single organization founded by Carl Kellner and Theodor Reuss, reorganized by Aleister Crowley, and perpetuated by Karl Germer and his successors. One would use ORDO TEMPLI ORIENTIS, OTO and O.T.O to refer to this particular organization and the specific beliefs, practices, organizational

structures, and economic interests associated with it rather than to a general species of institution or set of beliefs, practices and structures.”

19) He compares the OTO as analogous to a specific religious order or denomination within Christianity such as the Seventh Day Adventist Church. He states that while there are many different configurations of Christian belief and practice there does not exist multiple, independent organisations called Seventh Day Adventist Church. At paragraph 9 he states:

“The fact that there have been over time several organisations that have adopted the name ORDO TEMPLI ORIENTIS, OTO and O.T.O. does not mean that the name has come into common use to identify beliefs or values associated with a number of independent institutions or organisations. Nor does the proliferation of organisations adopting the name ORDO TEMPLI ORIENTIS, OTO and O.T.O. suggest that these organisations did so appropriately or have equal claims to legitimacy.”

20) Mr Verter states his view that OTO should be understood to refer to only one of a number of religious organisations that identify themselves as Thelemic. He continues the comparison by listing a large number of different Lutheran sects in the USA, all of whom have the name “Lutheran” in their title but are different entities, albeit with common threads. Mr Verter states that Mr Koenig’s methodology is suspect and breaches academic practices. He also states that the applicant, to the best of his knowledge, has not identified themselves as COTO.

21) The third witness statement, dated 19 July 2005, is by William Gary Keith Breeze the Chief Executive Officer of Ordo Templi Orientis of New York City, United States of America, a position he has held since 1985. He states that the organisation is a not-for-profit religious corporation incorporated in the State of California and which enjoys tax exemption as such. He states that the applicant has dependent unincorporated associations and corporations around the world. One such is Ordo Templi Orientis Ltd of Henley on Thames, Oxfordshire, which was incorporated in December 1987. He states that this company intends to create a charitable corporation in the UK. He describes the structure of the applicant in terms of membership and management roles. He states that new local groups can be set up by charter which includes a license or a sub-license to use the trade marks, names and insignia of the applicant in a defined territory subject to certain conditions and controls. He states that the applicant derives its income from dues paid by members, from licensing royalties and from donations. He provides annual reports regarding income, expenditure etc from 1994-2005 at exhibit WB5. However, whilst these mention members in the UK all the figures appear as US\$ and seem to relate to the worldwide position with no distinct UK figures. He estimates that in the fiscal year 2004-05 the wholesale turnover value in the UK of licensed books sold under or by reference to the trade marks of the applicant was approximately £10,000.

22) Mr Breeze states that the applicant’s name and its principal trade mark are the same, ORDO TEMPLI ORIENTIS. This mark has been registered in the UK as a CTM and at exhibit WB7 he provides copies of the registration certificates. Mr Breeze states that all of the opponent’s witnesses with the exception of Janice Trebble and Michael Staley are former members of the applicant. He states that Benjamin

Ferne was expelled in 1999, and two other expelled members formed the Ordo Templi Orientis Foundation which Roland Williams now leads. Mr Breeze states that Robert Curley became a member of the applicant in February 1994 and his membership was suspended in July 2001. Mr Breeze states that Mr Curley requested and received on 20 March 2002 voluntary inactive status. Mr Breeze states that on 20 June 2002 Mr Curley registered the internet domain name [www.uk-oto.org](http://www.uk-oto.org) without permission from the applicant. He also states that in October 2003 Mr Curley set up a company Albion O.T.O Ltd. Mr Breeze also gives details of a dispute over domain names, which does not assist me in my decision. Mr Breeze also states that Roland Williams was, between November 1993 and July 1996, a member of his organisation

23) Mr Breeze goes into considerable detail regarding the activities of a number of those who have provided evidence for the opponent. It seems clear that a number, if not all were at some point involved as members of the religious order. Following their expulsion or resignation these individuals have joined other groups of similar beliefs or set up their own organisations. There is also a pattern of behaviour by the applicant to prevent details of its rituals which it regards as secret being made known to the general public. To this end it has pursued publishers with legal actions to stop publications. They also purchased the copyright of one of the best known exponents of OTO, Aleister Crowley, and have used copyright legislation to prevent unauthorised use of Crowley's work.

24) Mr Breeze states that the opponent's publication "Starfire" is, and was, not the official organ of the OTO organisation, He states that during the period 1986-87 the "official organ" for the organisation led by Kenneth Grant was a newsletter entitled "Khabs". He states that the winter 1987 edition reviewed the first two editions of "Starfire", although "Khabs" was published in Miami, USA. He states that the title pages of "Starfire" for the first five editions did not mention OTO, it was only in 1996 with the sixth edition that OTO was mentioned on the front cover. He provides copies of the first six editions of "Starfire" at exhibit WB43. He comments that "Typhonian OTO" and variations on the theme refers to Kenneth Grant's organisation. Mr Breeze then goes into a history of the OTO organisation which gives the view that Kenneth Grant broke from the main organisation and formed his own lodge in the UK which was, and is, not officially recognised. It seems clear that the cult, even in its earliest days was not a single entity with various charters being issued to form new groups and also differences in beliefs amongst groups. Some UK members, and Crowley in particular, fled the country during World War One as they were German sympathisers which drew the attention of the UK authorities. He also charts the personality clashes, intrigues and expulsions that have played a large part in the cult's history and caused much of the splitting. It is also apparent that there were no clearly defined rules and regulations that everyone was aware of and could abide by. The most obvious example of this is the position of Karl Germer following the death of Crowley in 1947. Mr Breeze states that although having been named as the successor Germer thought he had to call an election, and it wasn't until 1955 that Germer saw a copy of the 1917 constitution.

25) Mr Breeze states that the literary executors of Aleister Crowley were John Symmonds and Louis Wilkinson. He states that John Symmonds sought permission from Karl Germer, in the USA, to quote from the work of Crowley in a book he was writing. Subsequently, following the demise of Germer, Symmonds teamed up with

Grant to publish a book about Crowley and OTO. In 2000 and 2002 the applicant established its ownership of the copyrights in works of Crowley in the High Court. He states that by 1945 there were, with the exception of a few scattered individuals, OTO had died out everywhere other than in the USA and the UK.

26) Mr Breeze states that following the demise of Germer his wife inherited all his goods, which seems to have included monies to which the cult had a claim. When Mrs Germer died intestate, the Californian courts ruled that all her property and any rights in registered trade marks or common law rights were transferred to Mr McMurty who had succeeded Germer as the head of OTO, in at least California.

27) Mr Breeze states:

“204. In 1948 and in 1991 the unincorporated association O.T.O. and the applicant purchased the literary effects and copyrights in the works of Aleister Crowley from the Official Receiver in Bankruptcy.”

28) Mr Breeze states that he is a “Thelemite” or adherent to the religious doctrine of “Thelema”, which is based on “magick[sic], mysticism, yoga. Qabalh and other occult subjects”; the religion is not called OTO, this is the name of the organisation.

29) The fourth witness statement, dated 28 August 2005, is by Marcus Mathias Jungkurth who describes himself as the Secretary General of Ordo Templi Orientis (the applicant) and who resides in Germany. He states that he translated a number of the exhibits to Mr Breeze’s statement. He states that he is qualified for such work. He provides copies of the original documents.

30) The fifth witness statement, dated 28 August 2005, is by John Wade of the Humanities Research Institute in Sheffield. He states that he translated documents from Latin which were used in the statement by Mr Breeze and that he is qualified for such work. He provides copies of the original documents.

31) The sixth witness statement, dated 1 September 2005, is by Jean-Matthieu Kleeman who is resident in Italy. He states that he is a member of the applicant and that he translated some of the documents used in the statement by Mr Breeze and that he is qualified for such work. He provides copies of the original documents.

32) The seventh witness statement, dated 6 September 2005, is by Gregory Birkinshaw who is resident in the UK. He states that he translated some of the documents used in the statement by Mr Breeze and that he is qualified for such work. He provides copies of the original documents.

33) The eighth witness statement, dated 1 September 2005 is by Mr Breeze who has supplied an earlier statement. In his earlier statement he provided exhibits WB5, 86, 87, 97 and 98 which were translations. The original translator was not able to provide a statement so new translations were obtained from Mr Wade (see above). He also amends minor errors in his earlier statement and adds further issues which I do find useful for my decision.

## **OPPONENT'S EVIDENCE IN REPLY**

34) The opponent filed four witness statements in reply, by individuals all of whom have previously supplied evidence in the instant case. The first, dated 28 September 2006, is by Michael Staley. He disputes that the applicant is the direct continuation of the cult formed in the early years of the 20<sup>th</sup> century by Karl Kellner. Mr Staley goes over the history of the organisation and contends that McMurty was named as successor by Germer, and was one of many thought possible by Crowley of taking over after Germer. He contends that at the time of Germer's death the lodge in California had closed down and the only active lodge in the world was in Switzerland. He points out that in the papers relating to the copyright case in 1999 the Swiss OTO waived any claim to the copyright in favour of the "Californian OTO". At exhibit MS21 he provides a copy of extracts from a book "The Secret Rituals of the O.T.O." by Francis King. In this book, published in 1973, it is stated that four OTO organisations existed. At exhibit MS19 he provides a copy of a decision by the District Court in Maine dated 24 September 1984. At page 11 of this decision it states:

"McMurty does not claim to be OHO, but he is the de facto leader of a group of California devotees of Crowley who consider themselves the legitimate OTO."

35) Later (on page 12) the decision states:

"The evidence demonstrates that there are still other possible claimants to the OTO legacy. These include a group in Switzerland led by a Joseph Metzger, Defendant's exhibits 20, 50, a group in England led by Kenneth Grant, defendant's exhibit 5, and a former associate of Crowley by the name of Fredrick Mellinger, Plaintiff's exhibits 75, 76. The Court need not decide whose claim is superior. The Court simply finds as a fact that Plaintiffs represent only one of several groups who claim to be legitimate successors to Aleister Crowley's original OTO."

36) The Court ruled in favour of the applicant in the instant case as plaintiff, SOTO, failed to sustain their burden of proving ownership.

37) The second witness statement, dated 27 September 2006, is by Robert Curley. He states that meetings of Albion OTO are held monthly in a Central London venue. The group holds public meetings which are advertised on its website. He states that the group was founded in January 2003, although he states that there were preparations prior to this date. He states that at the present, there is no generally accepted or recognised OHO or head of the worldwide OTO "due to no agreement on this matter between the various O.T.O.s worldwide." He disputes the claim by the applicant to represent OTO worldwide stating that their claim must be limited to California. He also states that Albion O.T.O. Limited was incorporated in the UK on 1 October 2003. At exhibit RC7 he provides a copy of the certificate of incorporation. He disputes all of the allegations made by the applicant against him and provides a deal of corroborative evidence.

38) The third witness statement, dated 27 September 2006, is by Peter Robert Koenig. He states that his membership of OTO was for the purpose of research and that this was known to Mr Verter and that Mr Verter has used the findings of Mr Koenig in his

doctoral thesis and has publicly praised his work. He provides exhibits to corroborate these claims.

39) The fourth witness statement, dated 27 September 2006, is by Roland Williams. He reiterates that he is the Outer Head of the Order of the Ordo Templi Orientis Foundation (OTOF). He states that the foundation was founded on 4 February 1996 and that it is active in Belfast, Northern Ireland in particular and has members in various other parts of the UK. In January 2003 they had about 20 members which had by the date of the statement, risen to 25-30.

40) That concludes my review of the evidence. I now turn to the decision.

## **DECISION**

41) At the hearing the opponent withdrew the ground of opposition under Section 5(4)(a).

42) I shall first deal with the grounds of opposition under Sections 1(1), 3(1)(a), 3(1)(b), 3(1)(c) and 3(1)(d) which read:

“1.-(1) In this Act a "trade mark" means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings.

A trade mark may, in particular, consist of words (including personal names), designs, letters, numerals or the shape of goods or their packaging.”

“3.-(1) The following shall not be registered -

- (a) signs which do not satisfy the requirements of section 1(1),
- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographic origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade:

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

43) At the hearing Mr Hacon, for the opponent, stated that, in essence, the opposition under all the above grounds is based on one issue which is whether OTO serves as a badge of origin and identifies the applicant and only the applicant.

### **Section 1(1) & 3(1)(a)**

44) The opponent has offered no evidence as to why the marks cannot function as trade marks, other than their own view that members of the relevant public would not view the marks as trade marks but as the name of a religious movement. This contention is based upon the existence of others, including the opponent, using the letters OTO as the names of their organisations, all of which are adherents to the concept of Thelemic Law. I was referred to *Bach and Bach Flower Remedies* [2000] RPC 513 where Morritt L.J. stated:

“31. For BFR it is submitted that the judge should have determined that the marks were capable of the distinction required by section 1(1) both because the point was before him and, more importantly, because it was a necessary preliminary to determining the proper construction and application of sections 3(1)(c) and 47(1). It is submitted that the proviso to section 3(1) in its application to paragraphs (b) to (d) alone shows that use is irrelevant to the question posed by paragraph (a). The word Bach, so it is submitted, is not an ordinary English word and is, for that reason, a sufficiently capricious addition to render the mark “capable” of providing the distinction required by section 1(1). Reliance is placed on the dictum of Aldous L.J. in *Philips Electronics NV v Remington Consumer Products Ltd*, at pages 825, 826, to which I have already referred.

32. This is disputed by HHL. In essence HHL submits that the capability of a sign to provide the requisite distinction depends on its meaning and that the meaning of any word may depend in part on its normal use. Therefore, so it is submitted, it is not correct altogether to ignore the use of the word BACH in the period prior to registration.

33. I prefer the submissions for HHL. First, it is not correct to interpret the four paragraphs of sections 3(1) as mutually exclusive. There is an obvious overlap between paragraphs (a) and (b) and, as pointed out by Robert Walker L.J. in *Re Procter & Gamble Ltd's Trade Mark Application* [1999] E.T.M.R. 375 at page 382, between paragraphs (b), (c) and (d). Secondly, the use of the word “sign” as the subject matter of paragraph (a), as opposed to “trade marks” in the remaining sub-paragraphs shows that compliance with that paragraph is a preliminary to the application of the rest. Thus paragraphs (b) to (d) each assume that the sign is capable of the requisite distinction. Thirdly, it is in the context of a sign which is capable of affording the requisite distinction that the proviso requires consideration of whether by usage it has in fact done so. It would be absurd to apply the proviso to paragraph (a) as well; if the sign is not capable of affording the distinction there is no point in considering whether by use before the application for registration it has in fact done so. Fourthly, it follows from the foregoing that the application of the proviso to paragraphs (b) to (d) alone cannot operate as an implied prohibition on the consideration of prior use as it affects the meaning of the sign for the purposes of paragraph (a).

34. I accept the submission that the meaning of a word may depend on its usage. It is not uncommon for a proper name, by use, to acquire an adjectival meaning which is descriptive of the article to which it is applied. Examples given in the course of argument demonstrate the point. Thus the terms “Bunsen burner” and “a Wellington boot” are wholly descriptive and cannot, without more, distinguish such burners or boots of one undertaking from those of another. In accordance with that use the expression has become the common name in the trade for the product in question. *cf.* section 46(1)(c). The question is whether or not the word “BACH” had by 1979, acquired such a meaning so as to be incapable, without more, of affording the requisite distinction. If it has then section 1(1) is not satisfied, the word “BACH” cannot be a capricious addition so that registration of the sign would be in breach of paragraph (a); if it had not then the word “BACH” is an addition to the words “flower remedies” which is “capricious”, because it is not purely descriptive, so that both the expression BACH FLOWER REMEDIES and the word BACH are capable of affording the necessary distinction. Accordingly I accept the submission that it is both permissible and necessary in considering the application of paragraph (a) to determine the meaning of the word as used at the time of the application for registration. I do not understand Aldous L.J. in *Philips v Remington*, in the passage I have quoted to have been considering the relevance of use to the meaning of the word.

35. The usage in question must be by those engaged in the relevant trade or activity. Normally that will be the usage of the average consumer of the goods in question as described in *Lloyd Schuhfabrik*. Obviously the evidence on that question is not limited to those who are consumers or end-users but may extend to others concerned in the trade such as manufacturers, wholesalers and retailers. But I do not think the court is assisted by repetitious evidence from individuals put forward by the parties, whether expressly or not, as archetypal average consumers or end-users for, by definition, no one individual is such a consumer or end-user and the issue cannot be resolved by counting heads. We were told that the judges before whom cases of this sort are heard have increasingly imposed restrictions on the quantity of such evidence they are prepared to admit. In my view that practice is to be encouraged.

36. The judge recognised that in some respects the evidence tended to show that the word “BACH” was used in a distinctive sense. Thus at page 23 he recorded that in the case of some retailers:

“when an employee of [BFR’s] solicitors went into the relevant shops and asked for a Bach Flower Remedy, the relevant witness (or an assistant in the shop) reacted as if reference was being made to [BFR’s] products only”.

At page 35 he recognised there to exist:

“a significant body of persons in these categories of witness [Bach Practitioners, retailers, members of the public and experts], who believe that the expression is a badge of origin, [but considered that] the weight to

be given to that evidence should be discounted to a substantial extent because the only real commercial source of the Remedies up to about 1988/89 has been the [BFR], and [HHL]'s share of the market since that date has been very slight”.

At page 42, in the passage I have already quoted, the judge again accepted that there were members of the public and retailers who, notwithstanding their cross-examination, saw the expression “Bach Flower Remedies” and the word “Bach” as badges of origin.

37. For my part I do not think that these qualifications sufficiently detract from the judge’s clear findings as to the meaning of the expression and word in 1979 and thereafter to justify a conclusion that they then complied with section 1(1). The decision of the European Court of Justice in *Lloyd Schuhfabrik* came after Neuberger J. had given judgment in the instant case. Thus he had no argument on or opportunity to consider the average consumer test. It was not suggested by either side that in those circumstances we should order a new trial. It was accepted that we should decide the issue as best we can in the light of the judge’s findings.

38. On that basis the evidence of a capability to distinguish to which I have referred should be rejected as not applicable to the average consumer as defined by the European Court of Justice. Such a person is deemed to be reasonably informed, reasonably observant and circumspect. But the actions and beliefs of the persons who prompted the comments of the judge I have referred to in paragraph 36 should not, in my view, be attributed to the average consumer. In the case of the first category the relevant action appears to have been prompted by carelessness and ignorance, which are not to be attributed to the average consumer. In the case of the second the judge rejected the evidence as sufficient to undermine his clear findings at page 38 that in 1979 and thereafter the expression Bach Flower Remedies and the word Bach would have been used and understood in a generic sense. In those circumstances I cannot see how any different understanding can be attributed to the average consumer. If the average consumer is to be regarded as reasonably informed, observant and circumspect then he must know the sense in which the word Bach was used and understood and that sense was generic.

39. For these reasons I conclude that the expression Bach Flower Remedies and the word Bach in both 1979, 1989 and 1991 failed to satisfy section 1(1) so that the registrations of those marks was in breach of section 3(1)(a). It follows that I would dismiss the appeal on this basis.....”

45) The letters OTO, whether punctuated or not, do not form a standard English word and so, ignoring any use, render the mark “capable” of providing the distinction required by this section. The marks in suit had not been used by any party as a trade mark on goods, as I have found earlier in this decision. All references on publications were not as a badge of origin but as the name of the religious order. As happens so often in such situations there have been schisms, despite the denial by the applicant in their counterstatement. I have no intention of making a finding on the legitimacy or otherwise of the parties in this case. It is clear that there are a number of groups who

follow the beliefs of Thelema or Thelemic Law that use the title Ordo Templi Orientis as the name of their religious groups. This could be said to be similar to those Christians who are part of the Anglican Church. The use that has been made of OTO is as a religious sect. Anyone interested in the Occult would have come across these groups and those interested in finding out more about these beliefs would have sought information or instruction by which ever group they contemplated joining. Therefore, the relevant public would have been provided with publications such as leaflets with OTO shown prominently upon them, similarly any religious instruction/education would have involved use of the marks in suit. That the marks in suit have been used by a number of groups in the UK is addressed in the applicant's evidence. The statement of Mr Verter, the independent academic expert put forward by the applicant, makes it clear that "several organisations" have used OTO, he even talks about the "proliferation" of groups using the title OTO. His views on the legitimacy of these groups are not relevant. On the basis that the relevant consumer is that part of the population interested in the Occult and on the basis that they are reasonably well informed, observant and circumspect they will be aware that there is more than one group which uses the title OTO and believes and teaches the beliefs of Thelema. The marks in suit therefore do not, and cannot, act as a trade mark denoting the goods or services of a single entity. The opposition under Sections 1(1) & 3(1)(a) therefore succeeds. Although this finding determines the issue I will go onto consider the next ground of opposition.

### **Section 3(1)(b)**

46) It is clear from the views expressed by the European Court of Justice in *Companyline* [2003] E.T.M.R. 20 and the High Court in *Have a Break* [2002] EWHC 2533 (Ch) that Section 3(1)(b) has separate and independent scope from Section 3(1)(c). Therefore, I have to consider each section separately. I will first consider Section 3(1)(b). I approach this ground of objection on the basis of the following principles derived from the ECJ cases referred to below:

a) an objection under Section 3(1)(b) operates independently of objections under Section 3(1)(c) – (*Linde AG (and others) v Deutsches Patent-und Markenamt*, Journal Cases C-53/01 to C-55/01, paragraphs 67 to 68);

b) for a mark to possess a distinctive character it must identify the product (or service) in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product (or service) from the products (or services) of other undertakings (*Linde* paragraphs 40-41 and 47);

c) a mark may be devoid of distinctive character in relation to goods or services for reasons other than the fact that it may be descriptive (*Koninklijke KPN Nederland v Benelux Merkenbureau*, paragraph 86);

d) a trade mark's distinctiveness is not to be considered in the abstract but rather by reference to the goods or services in respect of which registration is sought and by reference to the relevant public's perception of that mark (*Libertel Group BV v Benelux Merkenbureau*, Case C-104/01 paragraphs 72-77);

e) the relevant public must be deemed to be composed of the average consumer who is reasonably well-informed and reasonably observant and circumspect (*Libertel* paragraph 46 referring to Case C-342/97 *Lloyd Schuhfabrik Meyer*).

47) It is clear from the above that I must assess the mark's distinctiveness in relation to the goods and services for which the applicant seeks registration. Broadly the specification is for printed matter (both paper and electronic forms) and religious education. I must also take into account the perception of the relevant consumer of the goods. As I have found in paragraph 45 above the evidence shows that there are a number of groups using the title OTO all of whom offer religious instruction so that the novice can rise within the organisation. There is a system of rankings which starts at "1 degree" and ends at "10 degrees". The evidence shows that the believer must attain greater knowledge in order to advance in the order. It is also clear that written publications are regularly produced by the various groups to provide such instruction in addition to direct tutoring or mentoring by those already advanced within the various orders.

48) In my view the average consumer would not see the mark as being origin specific and would not attach trade mark significance to the mark. Prima facie the mark is devoid of any distinctive character and the opposition under Section 3(1)(b) succeeds.

49) In the *Windsurfing Chiemsee* case [1999] ETMR 585, the ECJ set out the test to be applied in order to determine whether a trade mark has acquired a distinctive character under Article 3(3) of the Directive (Section 3(1) proviso). It held that the national courts may take into account evidence from a variety of sources, but a finding that the mark has come to denote the goods as coming from a particular undertaking must necessarily mean that the provisions of Article 3(3) are met. The Court held that:

"In determining whether a mark has acquired distinctive character following the use which has been made of it, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking, and thus to distinguish that product from the goods of other undertakings" (paragraph 49).

"In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from Chambers of Commerce and industry or other trade and professional associations" (paragraph 51).

"If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify the goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied. However, the circumstances on which that requirement may be regarded as satisfied cannot be shown to exist solely by reference to general abstract data such as predetermined percentages" (paragraph 52).

50) The applicant provided evidence that it has a company, Ordo Temple Orientis Ltd, incorporated in the UK. It is stated that members pay “dues” to the company and that other income is derived from royalties and donations. Estimates are provided for the turnover in the UK regarding the sale of books for the year 2004/05 of £10,000. The basis for this figure is not clear and given the estimates of membership being approximately 140 in the UK this seems a little on the high side as it means that the average spend on books by every member in a year is over £70. However, even allowing that the figure is correct it does not alter the fact that at least one other group was also selling books with OTO shown clearly on them. Such sales were described as illegitimate and there has been action with regard to copyright on some texts.

51) I have to consider whether the evidence is sufficient to establish acquired distinctiveness as a trade mark. The essential function of a trade mark is to identify the commercial origin of a product so as to enable the consumer who purchased it to either make a subsequent purchase of the product if it proves satisfactory or to avoid the product in future if the experience is unsatisfactory. With other groups using the same title to teach the same religious beliefs, ostensibly along the same lines with the same levels of attainment I do not believe that the relevant consumer will view the marks in suit as trade marks. The applicant has tried to portray itself as the legitimate heirs to the founder. This legitimacy is on the basis that the head of the organisation has to pick a successor and pass on his “magick [sic]”. The numerous rifts, expulsions and personality clashes that litter the brief history of the movement make it impossible to determine the validity of this claim. But even if it were proven it would not affect the fact that it is not the sole organisation using the marks in suit.

52) I do not consider that the evidence proves the mark applied for has acquired a distinctive character as a result of the use made of it and I conclude that the applicant has failed to satisfy the proviso of section 3(1) of the Act. My decision regarding the success of the opposition under Section 3(1)(b) set out in paragraph 48 remains unchanged.

53) I do not need to consider the grounds of opposition under Sections 3(1)(c) and (d) as these are based on the same contentions that I have considered in reaching my findings under sections 1(1) and 3(1)(a) and (b).

54) Lastly, I consider the ground of opposition under Section 3(6) which reads:

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

55) Section 3(6) has its origins in Article 3(2)(d) of the Directive, the Act which implements Council Directive No. 89/104/EEC of 21 December 1988 which states:

“Any Member State may provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where and to the extent that....

(c) the application for registration of the trade mark was made in bad faith by the applicant.”

56) The Directive gives no more clue as to the meaning of “bad faith” than the Act. Subsequent case law has avoided explicit definition, but has not shirked from indicating its characteristics. In *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367, Lindsay J stated at page 379:

“I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes 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. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall-short in order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances.”

57) I also look to the Court of Appeal decision in *Harrison's Trade Mark Application* [2005] FSR 177. Sir William Aldous' judgment in *Harrison* also considered the relevance of a further case, *Twinsectra Ltd v Yardley*, [2002] UKHL 12; [2002] 2 A.C. 164, which had been before The House of Lords. Consideration was given to the nature of the test to be applied in considering matters of dishonesty:

“23 In *Twinsectra*, the courts had to consider whether a solicitor had acted dishonestly. Although the question for decision in that case was different, the reasoning in the speeches is relevant. The leading speech was made by Lord Hutton. At [27] he said:

“27 ... There are three possible standards which can be applied to determine whether a person has acted dishonestly. There is a purely subjective standard, whereby a person is only regarded as dishonest if he transgresses his own standard of honesty, even if that standard is contrary to that of reasonable and honest people. This has been termed the ‘Robin Hood test’ and has been rejected by the courts. As Sir Christopher Slade stated in *Walker v Stones* [2000] Lloyd's Rep PN 864, 877 para.164:

‘A person may in some cases act dishonestly, according to the ordinary use of language, even though he genuinely believes that his action is morally justified. The penniless thief, for example, who picks the pocket of the multi-millionaire is dishonest even though he genuinely considers that theft is morally justified as a fair redistribution of wealth and that he is not therefore being dishonest’

Secondly, there is a purely objective standard whereby a person acts dishonestly if his conduct is dishonest by the ordinary standards of reasonable and honest people, even if he does not realise this. Thirdly, there is a standard which combines an objective test and a subjective test, and which requires that before there can be a finding of dishonesty it must be established that the defendant's conduct was dishonest by the ordinary standards of reasonable and honest people and that he himself realised that

by those standards his conduct was dishonest. I will term this ‘the combined test’.”

24 Clearly the court, when considering bad faith, cannot apply a purely subjective test, called by Lord Hutton “the Robin Hood test”. The dishonest person or one with low standards cannot be permitted to obtain trade mark registrations in circumstances where a person abiding by a reasonable standard would not. The registration of a trade mark is designed to enable bona fide proprietors to protect their proprietary rights without having to prove unfair trading. Registration is not provided to help those with low moral standards.’

25 Lord Hutton went on to conclude that the true test for dishonesty was the combined test. He said:

“36 ... Therefore I consider ... that your Lordships should state that dishonesty requires knowledge by the defendant that what he was doing would be regarded as dishonest by honest people, although he should not escape a finding of dishonesty because he sets his own standards of honesty and does not regard as dishonest what he knows would offend the normally accepted standards of honest conduct.”

26 For my part, I would accept the reasoning of Lord Hutton as applying to considerations of bad faith. The words “bad faith” suggest a mental state. Clearly when considering the question of whether an application to register is made in bad faith all the circumstances will be relevant. However, the court must decide whether the knowledge of the applicant was such that his decision to apply for registration would be regarded as in bad faith by persons adopting proper standards.”

58) There can be no doubt that the applicants knew there was a rival claim to the use of the name. But simply knowing about another’s use does not make adopting and registering it as your trade mark an act of bad faith, for as stated in *Harrods Ltd v Harrodian School Ltd* [1996] RPC 697, unless registered as a trade mark, no one has a monopoly in their brand name or get-up, however familiar these may be. The opposition under Section 3(6) therefore fails.

## **COSTS**

59) As the opponent is successful it is entitled to a contribution towards its costs. I order the applicant to pay the opponent the sum of £2000. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 6th day of August 2007**

**George W Salthouse  
For the Registrar,  
the Comptroller-General**