

**O-281-18**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF  
TRADE MARK APPLICATION NO. 3203391  
BY MEME PARTNERS LIMITED  
FOR THE TRADE MARK**

**MEME**

**AND  
OPPOSITION THERETO  
UNDER NO. 409406  
BY MEME LONDON LIMITED**

**BACKGROUND**

1. On 21 December 2016 Meme Partners Limited (“the applicant”) applied to register the trade mark shown on the cover page of this decision for the following goods and services:

**Class 14:** Precious metals; jewellery; precious stones; chronometric instruments.

**Class 16:** Paper; cardboard; printed publications; printed matter; computer printers (Inking ribbons for -); bookbinding materials; books; adhesives for stationery or household purposes; artists' paint brushes; music sheets; music scores; periodical magazines; photographs; stationery and educational supplies; typewriters; Instructional and teaching material (except apparatus); plastic materials for packaging; printing blocks.

**Class 26:** Lace; embroidery; ribbons; braid; buttons; hooks and eyes; pins; needles; artificial flowers.

**Class 35:** Provision of information and advice to consumers regarding the selection of products and items to be purchased; exhibitions for commercial or advertising purposes; arranging of exhibitions for commercial purposes; demonstration of goods for promotional purposes; Publicity and sales promotion services; provision of business and commercial information; business consultancy services; assistance and advice regarding business organization and management; advertising; advertising particularly services for the promotion of goods; arranging of contracts for the purchase and sale of goods and services, for others; market research and marketing studies; compilation of computer databases; office functions; risk management consultancy [business]; employment agency services; personnel recruitment services; temporary personnel employment services; placement of permanent personnel.

**Class 38:** Telecommunication services; communication services for the electronic transmission of voices; transmission of data; electronic

transmission of images, photographs, graphic images and illustrations over a global computer network; transmission of data, audio, video and multimedia files; simulcasting broadcast television over global communication networks, the Internet and wireless networks; provision of telecommunication access to video and audio content provided via an online video-on-demand service; satellite communication services; telecommunications gateway services.

2. The application was published for opposition purposes on 10 March 2017.

3. Registration of the mark is opposed by Meme London Limited (“the opponent”). The opposition was initially based upon Section 5(2)(b) of Trade Marks Act 1994 (“the Act”) but the opponent was later allowed to add a different ground under Section 3(6), i.e. bad faith.

4. Under Section 5(2)(b) the opposition is directed against some of the goods and services in the application, namely:

**Class 14:** Precious metals; jewellery; precious stones; chronometric instruments.

**Class 26:** Lace; embroidery; ribbons; braid; buttons; hooks and eyes; pins; needles; artificial flowers.

**Class 35:** Provision of information and advice to consumers regarding the selection of products and items to be purchased; exhibitions for commercial or advertising purposes; arranging of exhibitions for commercial purposes; demonstration of goods for promotional purposes; publicity and sales promotion services; provision of business and commercial information; advertising particularly services for the promotion of goods; arranging of contracts for the purchase and sale of goods and services, for others.

5. This ground is based upon the applicant’s UK trade mark registration no. 3052901 for the trade mark meme LONDON. The mark was applied for on April 2014 and

registered on 1 August 2014. The opponent relies upon all the goods and services for which the mark is registered, namely:

**Class 14:** Jewellery; costume jewellery.

**Class 35:** Retail services connected with the sale of jewellery and costume jewellery.

6. Under section 3(6), the opponent opposes the application in its entirety. Its claim is as follows:

**Section 3(6)**

The Mark applied for should be refused registration in its entirety as the application was made in bad faith. In the alternative, the mark should be refused registration to the extent that it was made in bad faith.

**Particulars**

The application was filed on 21 December 2016. At the relevant date the sole director of the Applicant, Meme Partners Limited, Company No. 10085647, is Michael Gleissner. Mr. Gleissner's intentions can therefore be attributed to the Applicant. The Applicant's intentions are to be assessed on the objective factors surrounding the application. The Opponent will show that at the time of this amendment to the Notice of Opposition, Mr. Gleissner is listed at Companies House as a director of 1102 companies and is stockpiling trade marks with no intention to use them.

And

1. This opposition was filed on 31 May 2017.

2. The Registrar has decided in Decision No. 0/418/17 dated 7 September 2017 in proceedings where Mr. Gleissner was the sole director of the Applicant company, that the absence of evidence of an intention to use a mark in accordance with its essential function established a prima facie case that the application was filed in bad faith.

3. This decision was not available to the Opponent at the time the opposition was filed and requests that the Section 3(6) grounds be added to the Notice of Opposition in accordance with the overriding objective of dealing with the case justly and at proportionate cost.

7. The applicant filed a counterstatement in which it denies the grounds of opposition. Under section 5(2)(b), it denies that the marks are similar, and, whilst accepting that the respective specifications are identical to the extent that they both cover *jewellery* in class 14, it submits that the differences between the marks are sufficient to avoid confusion.

8. Under Section 3(6), the applicant's defence is essentially that the opponent's allegations are unsubstantiated and that the applicant is presumed to have acted in good faith unless the contrary is proved. It states:

The Opponent, further relies on Section 3(6) of the Act, which states that:-

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

The Opponent further alleges that *"there is absence of evidence of an intention to use a mark in accordance with its essential function"*, without specifically substantiating its allegations.

We submit that, the Applicant is presumed to have acted in good faith unless the contrary is proven by the Opponent.

9. Only the opponent filed evidence. Neither party requested a hearing but the applicant filed written submissions in lieu. The applicant is not professionally represented; the opponent is represented by Wildbore & Gibbons LLP.

### **The opponent's evidence**

10. This consists of the witness statement of Mr Christopher Andrew Baume. Mr Baume is a chartered trade mark attorney at the opponent's firm of professional representatives. He introduces the following exhibits:

- Exhibit CAB1 consists of a screen print from the website of Companies House for the applicant company. The print, dated 16 October 2017, shows that Mr Michael Gleissner is the applicant's Director and that he was appointed on 25 March 2016;
- Exhibit CAB2 is a screen print showing the results of a search of Companies House in respect of Michael Gleissner. It shows that at 16 October 2017 Mr Gleissner was linked to 1,102 UK registered companies;

- Exhibit CAB3 is a copy of an article from *World Trademark Review* dated 2 November 2017 headed “Thousands more trademarks linked to Michael Gleissner unearthed; leading in-house lawyer calls for action”. The article reports the result of an investigation into Mr Gleissner’s activity. It is said that the total number of trade mark filings by businesses linked to Mr Gleissner “spans over 4,400 marks across 38 jurisdictions around the world” and that, at the time of writing, the UK was the third most popular jurisdiction used by Mr Gleissner with 663 applications filed. The article also refers to companies related to Mr Mr Gleissner filing revocation actions for existing registrations and estimates that the financial cost of the operation is of \$1 million in filing fees alone. According to the article, the reasons behind Mr Gleissner’s portfolio are unclear. In this connection, the article reports that whilst some have assumed that it relates to domain acquisitions, an anonymous insider has suggested that Mr Gleissner’s business plan is focused on the creation of “brand incubators” that could raise in value over time. Finally, the article highlights the impact of Mr Gleissner’s activity on brand owners, in terms of expenses and time involved in opposing or challenging marks that “have little or no evidence of use or intent to use” and talks about an IP firm calling on IP bodies for action;
- Exhibit CAB4 is an extremely long list of UK company names and trade mark applications said to be linked to Mr Gleissner. This, it is said, was obtained from a document publicly accessible at [www.worldtrademarkreview.com/files/ffecd291-7e00-42f1-a845](http://www.worldtrademarkreview.com/files/ffecd291-7e00-42f1-a845).

### **Section 3(6) of the Act**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13. The applicant for the mark claimed to have been filed in bad faith is Meme Partners Limited, not Mr Gleissner. However, in *Joseph Yu v Liaoning Light Industrial Products Import and Export Corporation* (BL O/013/15) Professor Ruth Annand, sitting as the Appointed Person, held that:

"22. [A] claim of bad faith is not avoided by making an application in the name of an entity that is owned or otherwise controlled by the person behind the application".

14. The applicant did not dispute that Mr Gleissner is the sole Director, and therefore in control, of the applicant. Accordingly, I find that Mr Gleissner's conduct and motives can be attributed to the applicant.

15. The applicant's case is, essentially, that the applicant is presumed to have acted in good faith unless the contrary is proven and that the opponent has failed to provide evidence to support the allegations that the applicant had never had a *bona fide* intention to use the mark. As the case law indicates<sup>1</sup>, the relevant date for assessing the applicant's intention is the date of application. By virtue of Section 32(3), an applicant to register a trade mark in the UK must state in his application either that the mark is being used or that there is a bona fide intention to use it. In *CKL Holdings NV v Paper Stacked Limited* (BL O/036/18), Geoffrey Hobbs Q.C., sitting as the Appointed Person, said:

“22. [...] a declaration made pursuant to the requirements of s. 32(3) can be false by reason of the absence of any bona fide intention to use a mark, with that in fact being indicative or symptomatic of the relevant mark having been put forward for registration in relation to goods or services of the kind specified in an improper manner or for an improper purpose, such as to justify refusal of the relevant application for registration on the ground of bad faith”.

16. As the applicant has elected not to file evidence in answer to the opponent's evidence, its intentions can only be assessed based on the objective factors surrounding the application. In *Ferrero SpA's Trade Marks*, David Kitchen Q.C. (as he then was), sitting as the Appointed Person, upheld a finding that the proprietor had applied to register trade marks in bad faith on the basis of unanswered evidence that it had been stockpiling unused marks. He said:

“16. I have also come to the conclusion that the hearing officer was entitled to find the allegation established on the basis of the materials before him. By the date of Mr Rickard's declaration the registered proprietors had filed in excess of 60 applications to register trade marks including the word KINDER but had only ever used six. The number of applications had increased to some

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<sup>1</sup> *Red Bull* at [131] and [138]

68 by the date of Ms Bucks' witness statement. The large number of unused applications and the period of time over which the applications had been made led Mr Rickard to conclude that the registered proprietors were filing applications without any real and effective intention to use them. The evidence of Mr Rickard was never answered by the registered proprietors. No attempt was made to justify or explain the filing policy.

17. [...] the hearing officer was entitled to come to the conclusion that the applicants had established a *prima facie* case that the registered proprietors did not have a genuine intention to use the marks in issue at the dates they were filed. He was also, in my view, entitled to come to the conclusion that the *prima facie* case was not answered and that the allegation was therefore made good”.

17. It is therefore clear that the opponent's claim may succeed if it establishes a *prima facie* case of bad faith and this is not answered by the applicant.

18. Regarding the applicant's intention to use the mark, the opponent has raised a number of serious concerns in Mr Baume's evidence that have not been answered or challenged by the applicant. In particular, the evidence includes information obtained from Companies House demonstrating that Mr Gleissner is linked to over 1,100 registered companies. The information exhibited at CAB3 and 4 also reveals that Mr Gleissner is associated to a vast number of trade mark applications and that the UK is one of the most popular jurisdiction used by his companies. In its counterstatement the opponent draws my attention to the previous decision of this Tribunal in *Viva Media GmbH v Viva Technologies Limited* (BL O/418/17). That was a case concerning a company owned by Mr Gleissner in which the Hearing Officer upheld the opposition under s. 3(6), having found that the applicant had no intention to use the mark in accordance with its essential function. The opponent points to all these factors as proof that the applicant does not have, and never has had, a real genuine intention to use the mark. Whilst, I accept that this opposition cannot be decided simply on the basis on the findings in *Viva*, the evidence filed in these proceedings together with the adverse findings that have been made against Mr Gleissner raise important questions about the applicant's rationale for filing the

application; questions that would require convincing answers if I were to find other than in the opponent's favour. In the event, the applicant has not challenged any of the evidence filed by the opponent and I am left to draw my own conclusions from this. As a result, I find that the opponent has made out a *prima facie* case that Mr Gleissner was not intending to use the mark in accordance with the essential distinguishing function. The applicant has provided no evidence and/or explanation to counter the *prima facie* position established by the opponent: neither has it stated that it intends to use the mark, nor has it attempted to explain its rationale for filing the application in response to the opponent's allegations.

19. Accordingly, the Section 3(6) attack succeeds. As the opposition has succeeded under this ground, there is no need to consider the remaining grounds.

## **Conclusion**

20. Subject to appeal, the application for registration is refused.

## **COSTS**

21. As the opponent has been successful, it is entitled to a contribution towards its costs. Using the guidance in Tribunal Practice Notice (TPN) 2/2016, I award costs on the following basis:

Official fee:	£200
Preparing the notice of opposition and considering the counterstatement:	£300
Preparing evidence:	£500
Considering written submissions:	£200
Total	£1,200

22. I order Meme Partners Limited to pay Meme London Limited the sum of £1,200 as a contribution towards its costs. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case, if any appeal against this decision is unsuccessful.

**Dated this day 9th May 2018**

**Teresa Perks**

**For the Registrar**

**The Comptroller – General**

