

O/384/11

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO 2 544 831 IN THE NAME
OF HARMONY INTERNATIONAL TRAINING AND PLACEMENT LIMITED TO
REGISTER IN CLASS 35 THE TRADE MARK: HARMONY NANNIES**

AND

**OPPOSITION THERETO UNDER NO 100 832
BY FRANKIE GRAY**

TRADE MARKS ACT 1994

In the matter of trade mark application 2 544 831 in the names of Harmony International Training and Placement Limited, to register in class 35 the trade mark: Harmony Nannies

and

Opposition thereto under No 100 832 by Frankie Gray

BACKGROUND, PLEADINGS AND ARGUMENTS

1. Harmony International Training and Placement Limited (“the applicant”) applied to register the word only trade mark Harmony Nannies on 15/04/2010. The application was published in the Trade Marks Journal on 14/05/2010 in respect of the following services in class 35:

Services: Agency offering recruitment and job placement services of nannies and childcare professionals.

2. Frankie Gray (“the opponent”) opposes the registration of the mark, based on Section 5(4)(a) of the Trade Marks Act 1994 (“the Act”). This ground of opposition is on the basis of three earlier unregistered trade marks, HARMONY AT HOME, HARMONY, AND HARMONY NANNIES which it is claimed have been used in respect of *recruitment, placement and payroll services of nannies, childcare consultancy, maternity nurses, housekeepers, domestic and household staff, governesses and chefs, childcare and first aid training services, lifestyle management training for parents*. The opponent argues that she has built up considerable goodwill in her business associated with the aforementioned names; that the applicant intends to use an identical/highly similar trade mark in respect of identical/highly similar services and so misrepresentation and damage is inevitable as confusion will occur (and indeed has occurred). As such, the opponent is entitled to prevent registration under the law of passing off.
3. In its counterstatement, the applicant denies the claims made. In particular, it denies that the opponent owns or has built up any goodwill in her business associated with the indicium HARMONY. In respect of the actual confusion alleged, the applicant responds that this occurred as a result of changes made by the opponent to its company’s website between 13th and 16th May 2010, the result of which directly made confusion with the applicant more likely. It is denied that the relevant public would make any connection between the applicant and the opponent and further, it is denied that the opponent would suffer damage should the applicant’s trade mark application proceed to registration. Evidence was filed by both sides as were written submissions in lieu of a Hearing.

Initial evidence and arguments of the opponent

4. This consists of three Witness Statements. The first is dated 21st December 2010, from Ms Gray. Ms Gray explains that she started her business in 2004 providing childcare recruitment and agency services, childcare training services and associated payroll and administrative services, as well as similar services in respect of maternity nurses, governesses, housekeepers, domestic staff and chefs. Ms Gray operated her business as a sole trader until 20th August 2010, when it was incorporated into Harmony at Home Limited. Ms Gray is the director and sole shareholder of this company. I note that this incorporation took place following the relevant date in these proceedings, which will be discussed further below. The following relevant points emerge from this Witness Statement:

- Since 2004, Ms Gray has traded under the names HARMONY AT HOME, HARMONY AND HARMONY NANNIES. Exhibit FG1 displays a photograph of Ms Gray's car, taken in 2004 which has HARMONY printed across it as a means of advertising the company. That the photograph was taken in 2004 is supported by Exhibit FG2 which is a copy of the invoice for the company who was commissioned to design, manufacture and install the sign on the car. I note that the sign is advertising HARMONY as "Bespoke Lifestyle Management, Coaching and Home Organising for Parents".
- According to Ms Gray, the opponent places nannies and childcare specialists throughout the UK and internationally and engages the services of many agents and franchisees to market and provide its services. Currently, there are 15 agents on record, 12 of which are full franchisees. Exhibit FG3 is a selection of invoices from 2005 to 2010 for services within that period. There are 10 in total, to the amount of around £3800.
- Ms Gray states that the opponent regularly features in national newspapers and magazine publications. By way of example, Exhibit FG4 contains a copy of an article featured in The Times newspaper dated 22nd June 2008. Harmony At Home is described as a nanny agency in this article which focuses on the credit crunch and its effect on take up of childcare services. Also contained within the Exhibit is a copy of the "Nanny Agency Focus" editorial from the MNT Training Publication (MNT Training being, according to Ms Gray, a leading provider of childcare training) from the summer of 2008. This is somewhat supported by the content of the entry featuring the opponent which refers to the company being founded in 2004. Exhibit FG5 contains a copy of an advertisement which, according to Ms Gray, appeared in BabyGROE Magazine 2008-2009, which was included within the "Bounty Packs" provided to mothers of newborn babies by NHS and private hospitals throughout the UK for that year.
- The opponent's website has been operational since 2004 and this is purported to be supported by Exhibit FG6 which shows details of domain name registrations relating to the website.

- Exhibit FG7 are copies of the “Google Analytics” account to 15th April 2010, which Ms Gray claims clearly show use by the web using public of HARMONY AT HOME, HARMONY NANNIES AND HARMONY NANNY AGENCY in searching for Harmony websites using Google. Ms Gray claims that this proves that clients and potential clients consider all these names to refer to the same business and brand.
- Turnover figures relating to Ms Gray’s business are provided. I note that these are as follows:

2004-2005	£9,145
2005-2006	£26,185
2006-2007*	£4,680
2007-2008*	£12,405
2009-2009	£65,000
2009-2010**	£145,000

*Ms Gray explains that sales were less during this period as she took maternity leave.

**Increased sales attributable to extension of the franchise network.

- Ms Gray argues that HARMONY is the first and dominant element in her company’s various trading names and that it is this element that is the most memorable. The nannies registered with her refer to themselves as “harmony nannies” in a manner akin to “Norland nannies” to reflect those professionals who trained at the prestigious Norland college.

5. Ms Gray provides details of what she alleges are instances of confusion between her company and Harmony. These are as follows:

- On 11th May 2010 she recalls receiving an invoice from “The Lady” magazine concerning an advert that had been placed with them (allegedly on 28th April 2010) by a business calling itself “Harmony Nannies”. Ms Gray argues that this is an example of clear confusion between the two entities as the wrong business was invoiced in respect of the advert placed, which had in fact been placed the applicant rather than the opponent. Ms Gray denies that this incident occurred after she made changes to her website (as alleged by the applicant) and points out the date of the invoice, a copy of which is included in Exhibit FG8 is 11th May 2010, prior to the changes made (which even the applicant accepts was sometime between 13th and 16th May 2010).
- Contact/potential meetings with maternity nurses and nannies are described whereby the two businesses have allegedly become confused. These involve a Ms Susan Evans who contacted the incorrect company following contact with a local telephone directory and Ms Carol Lee who also acquired the incorrect telephone number. I note that both of the incidents described are after the

relevant date (the filing date of the contested trade mark) in these proceedings, though this is not fatal bearing in mind that the assessment to be made as regards misrepresentation in the event that goodwill is established is, by its nature, forward looking. However, these incidents are unsupported in Ms Gray's evidence in that there are no witness statements from the personnel involved. I will return to this point further below.

- In addition, Ms Gray claims that her company has been contacted by over 100 clients, candidates, colleagues and franchisees about "the other Harmony". There is no information as to in which period of time these incidents occurred nor is there any other evidence to support them.

6. The second Witness Statement is dated 20th December 2010 and is from Ms Natalie Gill. Ms Gill explains that she first became aware of the opponent in 2005 through word of mouth and that at this time it was established in the trade as being a leading provider of nanny and other childcare related recruitment and agency services. Ms Gill joined the company as a freelance recruitment consultant in June 2008, managing a network of nanny consultants across London and Greater London before leaving to pursue a different career in December 2009. During that time she placed nannies and maternity nurses across London, Greater London and the UK. Ms Gill advises that she has always known the opponent as "Harmony" and that in her experience most clients, prospective clients, nannies and other recruitment consultants usually refer to the same as "Harmony" and the nannies are referred to as "Harmony Nannies". Ms Gill ends by stating that the presence of an unrelated business calling itself "Harmony Nannies" and offering services relating to recruitment and placement of nannies and childcare professionals would be confusing to her.
7. The final Witness Statement, dated 20th December 2010 is from Ms Naomi Davies, a customer of Ms Gray. Ms Davies explains that she first become aware of the opponent through word of mouth in 2004 and that she has used the service on two occasions, first to find a maternity nurse and second to find a nanny, both of which were in 2008. Ms Davies confirms that she has also recommended the opponent to a friend who went on to use the service in 2009. Ms Davies ends by stating that she has always referred to the Nannies that the opponent has placed with her as "Harmony Nannies" and that she refers to the opponent as "Harmony". Finally, she confirms that she would find it very confusing if another company called Harmony Nannies was trading in similar services.

Initial evidence and arguments of the applicant

8. There are five Witness Statements in total. The first, dated 10th March 2011, is from Ms Portia Quinn, a director and marketing agent of Harmony. Ms Quinn argues the following:

- Prior to the incorporation of the applicant company in December 2009, she conducted numerous searches, none of which highlighted the opponent as being in existence at that time.
- Since the trade mark application, the subject of these proceedings was filed, the opponent has acted to significantly change her business profile and has also taken steps to ensure confusion between the respective trade marks, particularly with regard to her website which suggest an attempt to strengthen her position in these proceedings. These include increased references to Harmony Nannies instead of Harmony at Home (which was previously used prominently) and using similar graphics and other “get-up”. Further, the wall on the opponent’s facebook (a social networking tool) account was altered to make mention of Harmony Nannies, whereas prior to the filing of Harmony’s trade mark application there was no mention of Harmony Nannies. Any claim of the opponent as to goodwill therefore must be considered against the background of this behaviour which amounts to bad faith.
- The opponent also initially opposed Harmony’s other trade mark applications, for Harmony Placement, Harmony Au Pairs, Harmony Maternity and Harmony Household but abandoned these claims as presumably, they do not have merit. It is submitted that the claim in question here is likewise without merit.
- Ms Quinn makes a number of criticisms of the evidence filed by the opponent. These essentially focus upon the lack of supporting documentation and other evidence in respect of the alleged facts claimed. Namely, turnover is referred to, as is the existence of 15 franchises and an advertising campaign, but there is very little documentation in support. There are no VAT returns included, the number of invoices provided is very limited and there is no documentation at all to support any franchise agreements. In addition, though there is limited evidence of trading in respect of “Harmony at Home”, there is nothing to support the same in “Harmony Nannies” and “Harmony”. The use in respect of “Harmony at Home” is also on a small scale and is limited geographically. The business is also listed in “Nanny Job”, a leading nanny agency guide and though it is listed in another, “Best Bear”, this is shown as being in Surrey and West Sussex. As such, Ms Quinn argues that the goodwill is trivial.
- In respect of the invoices provided, Ms Quinn notes that these all display the header “Harmony at Home”, with the exception of one invoice, dated 31st January 2005 which refers to lifestyle management which is a service Harmony does not provide. Further the amounts on the invoices only total £3,818, a fraction of the already limited turnover referred to by Ms Gray in her evidence. Despite numerous requests from the applicant, Ms Quinn alleges that the opponent has been

unwilling or unable to provide sufficient documentary evidence to support her opposition.

- That Ms Gray has abbreviated “Harmony at Home” to “Harmony” in her evidence is misleading. The UK nanny listing websites, Best Bear and the Good Nanny Agency Guide both list Ms Gray as “Harmony at Home”. The Google Analytics Report also show that an overwhelming number of searches are carried out on the basis of “Harmony at Home”. The articles featuring Ms Gray published in The Sunday Times and in the MNT Training publication, both clearly refer to “Harmony at Home”, without a single reference to “Harmony” or “Harmony Nannies”. The use of “Harmony” on a car was an advertisement in respect of “lifestyle management services” rather than the provision of nanny services and “Harmony Nannies” is not mentioned.
- Ms Gray alleges that there have been incidents of confusion, but these are not accurate and are misleading. A Witness Statement from one of the maternity nurses/nannies said to have been confused, a Ms Carol Lee has been filed and is referred to below.
- In respect of the incident involving “The Lady” magazine, Ms Quinn argues that this was simply human error in that the applicant’s address was not requested at the time of requesting the advertising services as it should have been. That the invoice was sent to the wrong entity therefore, was not due to confusion between the respective businesses.
- Ms Quinn’s view of the Witness Statements of Natalie Gill and Naomi Davies is that neither can point to a single instance of confusion; neither are independent as they both have connections to the opponent (as a customer and as a freelance recruitment consultant for the business) and they have not been interviewed by Harmony’s solicitors. Further, the assertion from Ms Gill that the opponent is a “leading provider of nanny and other child recruitment and agency services” is not supported by the other evidence filed, neither can the assertion from both Ms Gill and Ms Davies that “Harmony at Home” are known as “Harmony Nannies”.
- Ms Quinn argues that no documents have been forthcoming in respect of the opponent’s incorporation on 20th August 2010. Ms Quinn argues this is important because there is no documentation regarding the licensing of goodwill. As such, it is unclear on what basis the opponent claims to be the owner of the alleged goodwill or could suffer any damage when any trade that takes place appears to be carried out through a separate company.
- In conclusion, Ms Quinn asserts that there is no credible evidence that the opponent has traded in “Harmony” or “Harmony Nannies” and though there is limited evidence in respect of “Harmony at Home”, this is very small indeed and regional in nature. Only a small number of instances of confusion have been described. Further, these have not been accurately described. Ms Quinn advises that she has no objection to the opponent using the mark “Harmony at Home” which is, in her view, clearly distinguishable from “Harmony Nannies”, the trade mark applied for in view of the very differing “get up”.

9. The second Witness Statement, dated 18th March 2011, is from Ms Parisa Clovis, a trainee solicitor with the applicant's representatives, TLT LLP. The content of this Witness Statement focuses upon contact made by Ms Clovis with two people allegedly involved in instances of confusion between the two companies. The first contact made took place on 25th February 2011, with a lady named Sue Arnold, of "The Lady" magazine in respect of an invoice being sent to the opponent instead of the applicant. Ms Arnold was asked whether she recalled this incident and having answered in the affirmative, agreed to complete a Witness Questionnaire. A copy of this questionnaire is contained within Exhibit PC1. From this questionnaire, it can be ascertained that Ms Quinn placed a booking for an advert around 20th April 2010 by telephone; that as far as Ms Arnold is aware, Ms Quinn's address was not taken for invoice purposes; that the Google search engine was used by a colleague to search for the applicant's address around 28th April 2010 and that the date the invoice was raised was 29th April 2010. Ms Arnold was also asked a number of other questions, to which she could not answer due to lack of recall or simply because she didn't know. When asked whether she had heard of the opponent's company prior to the incident, she replied that she had not. As regards how well known the company is, she replied that she did not know. The final two questions asked were "Do you consider the name "Harmony Nannies" and "Harmony at Home" to be confusingly similar, such that you cannot differentiate between the two names?" to which Ms Arnold replied "no" and "Has there ever been a time where you have been confused between the companies – for example, have you ever thought that they were the same company? If so, when and why?" to which Ms Arnold also replied "no".
10. The second contact made by Ms Clovis was to a lady named Susan Evans, the same Ms Evans as referred to by Ms Gray in her evidence. This contact was made on 11th February 2011. Ms Clovis explains that Ms Evans had not been contacted by Ms Gray with regards to her inclusion in Ms Gray's evidence and appeared reluctant to be drawn into legal proceedings. She did however agree to answer some questions to clarify the assertions made by Ms Gray. According to Ms Clovis, Ms Evans had never heard of the opponent prior to September/October 2010, nor had she seen the company advertised and had located a suitable vacancy with them via the "Nanny Job" website. Though she did not make any arrangements to register with the opponent, Ms Evans did subsequently make arrangements to register with the applicant. This was planned to take place via a meeting in October 2010 and on the day of the meeting Ms Evans confirms that she made contact with a local telephone directory to contact the opponent as she did not have their number with her at the time. She was wrongly connected to the opponent.
11. The third Witness Statement, dated 14th March 2011, is from Ms Carol Lee. Ms Lee is a trained maternity nurse, who is currently in a position where she has been placed by Harmony, following her registration with them in July 2010. She confirms that she first heard of the opponent two years previously as she saw their name advertised on the Nanny Job website. She confirms that she has never been registered with them. Prior to this, she had not seen them advertised in the press or on the internet. The postings from the

opponent have always referred to the company as “Harmony at Home” and as such, Ms Lee has always known them by this name. Further, in Ms Lee’s view, they are a small agency and not particularly well known. The incident referred to by Ms Gray in her evidence occurred when Ms Lee had arranged an interview with prospective clients via Ms Portia Quinn of the applicant. This interview was scheduled for 19th October 2010. On realising she had questions regarding this Ms Lee attempted to contact Ms Quinn after researching her number from a website which lists all nanny agency details. Ms Lee recalls that she was quite rushed when she did this and so, having noted the incorrect telephone number, contacted the opponent in error. Ms Lee disputes the claim of Ms Gray that she was confused between Harmony at Home and Harmony Nannies and counters that she always knew they were separate entities. Rather, the error occurred because of her lack of attention. Ms Lee ends her comment on this incident by confirming that she does not believe the names to be confusingly alike because Harmony at Home are always known by this full name and never as Harmony Nannies.

12. The fourth Witness Statement, dated 16th March 2011, is from Ms Jacqueline Skilton. Ms Skilton explains that she has an extensive background in childcare having been employed in a number of positions including as a nanny and maternity nurse. She has been placed in her current position by the applicant. Ms Skilton confirms that she has never, in the last eight years, seen a job advertised by Harmony at Home. Further, having viewed the website of Ms Gray and that of Harmony, she cannot see how they can be confused as they have different names and their websites are completely different. In response to Ms Gray’s suggestion that her nannies are referred to as Harmony Nannies, Ms Skilton states that she has never heard of any other nanny being referred to as a Harmony nanny.

13. The final Witness Statement, dated 21st March 2011, is from Ms Clare Watson, Ms Watson explains that she has worked as a nanny for over 21 years and is currently in employment having been placed by Harmony. She trained at the Norland College, which is famous due to its reputation and national and international accreditation. Nannies who train here are commonly referred to as Norland Nannies. In contrast, during all her years of experience, she has never heard of anyone being referred to as a Harmony Nanny. Further, she has never come across an agency referred to as Harmony at Home, neither have her colleagues and/or employers. Finally, she states that she does not consider Harmony at Home to be a major leader in childcare services in the same way as Norland are regarded.

The opponent’s evidence in response

14. This takes the form of a Witness Statement, dated 19th May 2011, from Ms Gray and comprises both evidence and argument. The following points are noted:

- The differences between the logos and slogans of each company are irrelevant as any use, however represented, by the applicant of the

mark applied for would amount to a misrepresentation causing confusion.

- The allegation of bad faith made is wholly refuted. Ms Gray asserts that she has not taken any steps to deliberately cause confusion as to do so would be counterproductive in that she is seeking to protect her goodwill rather than damage it further.
- In respect of the other trade mark applications initially opposed, Ms Gray explains that it is not that these claims are without merit; rather that she is concentrating her resources on a “test case” before deciding what action to take in respect of the additional applications.
- In respect of Ms Quinn’s critique of her initial evidence, Ms Gray argues that it would have been unduly costly, would have taken considerable time and would have been disproportionate. In addition, the information requested as regards clients and franchisees is confidential and as the applicant competes with the opponent, this information could damage the business of the opponent. Further, as she has until recently been operating as a sole trader, her accounts are not required to be in a standard statutory format.
- In response to the assertion that the Best Bear website lists her company as operating (only) in West Sussex and Surrey, Ms Gray provides, at exhibit 3 to her Witness Statement, a copy of a listing from this website in 2007 and 2008 as operating in a number of geographical areas, including London, Essex, Hampshire, Berkshire and Middlesex and not merely West Sussex and Surrey (which are, in any case large and highly populated). In addition, these listings clearly refer to the business as Harmony as well as Harmony at Home.
- It is irrelevant that Ms Watson and Ms Skilton are not familiar with Harmony. There are hundreds if not thousands of nanny agencies in the UK and they are unlikely to have heard of all of them.
- Despite the attempts to explain away the instances of confusion, they remain instances of confusion. Further, that such confusion continues to occur. Exhibit 6 contains emails between Ms Gray and a nanny job posting website, and in turn, emails between this website and a website developer regarding the updating of Ms Gray’s logo on the website. The email asks about updating a logo for Harmony at Home and specifically says in brackets (not Harmony Nannies). Ms Gray considers this evidence important as the content of the email seeks to make a distinction between Harmony and Harmony Nannies and that this distinction would be unnecessary if they were not confusable.
- Ms Gray also refers to a telephone call that took place in February 2011 between one of her employees and Ms Susan Evans. The sum of this information appears to be that Ms Evans does not wish to take any part in these proceedings.

DECISION

Passing off - Section 5(4)(a)

15. Section 5(4)(a) reads as follows:

“5.-(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark”.

16. The requirements for this ground of opposition have been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] R.P.C. 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

(1) that the opponent’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the applicant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicant are goods or services of the opponent; and

(3) that the opponent has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the applicant’s misrepresentation.

The Relevant Date

17. The relevant date for determining the opponent’s claim will be the filing date of the application in suit (*Last Minute Network Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Joined Cases T-114/07 and T-115) . The earlier right must have been acquired prior to that date (Article 4.4(b) of First Council Directive 89/104 on which the UK Act is based). The relevant date in date in these proceedings therefore, is 15/04/2010.

Goodwill

18. I note that in the notice of opposition, the opponent claims that the business attracts a protectable goodwill in respect of the following services: *recruitment, placement and payroll services of nannies, childcare consultancy, maternity nurses, housekeepers, domestic and household staff, governesses and chefs, childcare and first aid training services, lifestyle management training for parents*. In order to make an assessment of whether

or not goodwill exists in such activities, I must be in possession of sufficient information to reach an informed conclusion.

19. In relation to goodwill, this was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223 as:

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

20. It is also worth noting that to qualify for protection under the law of passing-off, any goodwill must be of more than a trivial nature¹. However, being a small player does not prevent the law of passing-off from being relied upon as it can be used to protect a more limited goodwill².

21. Throughout the proceedings and also in its written submissions, the applicant makes a number of criticisms of the evidence of the opponent in respect of establishing goodwill, which have already been outlined above. These can be summed up as the following: firstly, there is a lack of supporting documentary evidence, for example, the turnover figures asserted are unsupported and the extremely limited number of invoices are inadequate in this regard; secondly, there is no evidence of the franchise arrangements referred to; thirdly, any goodwill generated is a) extremely limited in nature so as to be classed as trivial according to the decision in *Hart v Relentless Records* [2002] E.W.H.C. 1984 and b) in any case only shown in respect of Harmony at Home in respect of nanny recruitment services. The only evidence in respect of other services, such as lifestyle management occurs in a single invoice and a photograph of an advert on Ms Gray's car, which is insufficient. Likewise, the car photograph is the only evidence of the use of Harmony alone which as it is in respect of lifestyle management services for parents differ to the services applied for which are for recruitment of childcare personnel. Finally, there is no evidence whatsoever to support the assertion that Harmony nannies is a term associated with the business of the opponent.

22. In response, Ms Gray argues that the requests for particular documents were disproportionate to the proceedings and would put her to unreasonable inconvenience as to time and cost. Further, that some of the documents requested are commercially sensitive and need to remain confidential. Finally, Ms Gray considers that the evidence filed to be more than sufficient to establish protectable goodwill in her business.

23. In considering the evidence of Ms Gray and the critique of that evidence by the applicant, I consider that many of the criticisms raised are not wholly without merit. At the very least it seems to me that in respect of at least some

¹ *Hart v Relentless Records* [2002] E.W.H.C. 1984

² See, for instance, *Stannard v Reay* [1967] F.S.R. 140, *Teleworks v Telework Group* [2002] R.P.C. and *Stacey v 2020 Communications* [1991] F.S.R. 49).

of the criticisms levied at her, Ms Gray could have done more in the way of refuting them, for example it seems to me that it would have been reasonably straightforward for her to have filed further examples of invoices, advertising campaigns and to have better supported her asserted turnover figures. Further, her explanation of her reluctance to provide further information is not wholly convincing in that she does not explain in any detail the inconvenience to which she would be put in collecting and supplying the information, nor is there any convincing explanation forthcoming as to why particular documents are commercially sensitive. In addition, in respect of the latter, mechanisms are in place in the Trade Marks Tribunal to adequately deal with such evidence, which it was open to her to request. That said, Ms Gray is entitled to provide such evidence as she believes is sufficient to support her case. Further, the applicants could also have decided to approach matters differently. For example, they could have referred to the Trade Marks Tribunal to make an order for disclosure of these documents. However, it did not do so. As it stands I do not consider it appropriate (as invited by the applicant) to draw any adverse inference from Ms Gray's reluctance to provide further information as in her opinion, the information she has filed is wholly adequate to establish goodwill. Rather, I will consider the evidence as filed in its totality and reach my finding on this basis.

Analysis of the evidence of goodwill

Advertising

24. I note that Ms Gray has filed examples of the ways in which she has advertised the business. One such example comes in the form of a photograph of her car taken in 2004 (the date having been supported by an invoice from the company who decorated the car with the respective sign). I note that there are two signs present on this car, the word Harmony (together with some graphical elements) and a website address, the main body of which is Harmony at Home. It seems to me that the web address is present as a method of displaying contact details for prospective customers and this is supported by the inclusion of relevant telephone numbers directly underneath the web address. However, it is clear that both trade marks are present here. It is also worth noting that the service being advertised is described as "Bespoke lifestyle management, coaching and home organising for parents". The applicant argues that a service of such description differs from those they aim to provide under the trade mark applied for, which are in essence childcare recruitment and related services. However, it seems to me that terms such as lifestyle management and home organising are very broad terms which can include the types of services applied for such as the recruitment of childcare specialists, in that this is merely an illustrative example of the type of activity that could be rightfully classed as lifestyle management and/or home organising. In my view, this stance is further supported by the fact that the lifestyle management/home organising services advertised on the car are clearly aimed directly at parents. Further examples of advertising from the opponent are contained in their entry into the MLT publication and in the advertising section of the BabyGROE/Bounty Pack

publication, which, as I have already outlined, is claimed by Ms Gray to be provided to all new mothers who give birth privately or via the National Health Service in the UK.

25. Looking at the entry in the training magazine first of all, I note that Ms Gray claims that this is from the leading training provider of childcare training. While there is no other evidence to support this assertion, it is also notably not disputed by the applicant. As regards the entry itself, I note that it is not clearly dated, however Ms Gray advises that it is from the summer 2008 issue. In any case, the nature of the entry is that of an article which clearly states that the opponent's business was founded in 2004. This is strongly indicative that it is helpful in establishing trade prior to the relevant (filing) date in these proceedings. The opponent's business is referred to throughout this article as Harmony at Home. Further, at the head of the article a stylised depiction of the words Harmony at Home appear, with the words "childcare specialists" appearing directly underneath and a silhouette of a mother and child, positioned on the left hand side of the verbal elements. The applicant argues that this article is only supportive of trade in respect of the use of Harmony at Home. I do not wholly agree with this assessment as I also note that in the stylised version of the element Harmony at Home, the word "Harmony" appears in a different typeface to the element "at home". This arguably has the effect of enabling the element Harmony to be picked out in its own right. I will however return to this point, if and where necessary, later in my decision.
26. In considering the "BabyGROE" entry, Ms Gray's advert may potentially have been viewed by a very large prospective customer group, though I note that the document itself is undated. However, as Ms Gray's business did not commence until 2004 and the filing date of these proceedings is 15th April 2010, this is a relatively short period of time. There is every indication that this evidence is cogent to these proceedings or at the very least cannot be dismissed out of hand due to a defect in dating. I note that the "BabyGROE" entry refers exclusively to Harmony at Home.

Press Coverage

27. There is a sole example of national press coverage, in the Sunday Times, dated 22nd June 2008. It is noted that the Sunday Times is a national newspaper. Though circulation figures are not provided, I am aware from my own knowledge that these are likely to be fairly significant. The topic covered by the newspaper article is in respect of the credit crunch and the impact of this on childcare arrangements. The opponent is included in the article and described as a nanny agency, an organisation that has seen a 30-40% increase in demand since the previous summer. This, it seems to me, is strongly indicative that Ms Gray was trading from at least the summer of 2007, most likely earlier. Further, she is directly quoted in the article.

Invoices

28. These are limited in number, ten in total. There is a date range, with the earliest dated 2005, four dated 2008 and five, 2009. I note that all but one of the invoices are headed with the same presentation as appeared in the MLT Training Magazine article, As regards the verbal elements, I have already noted that the word Harmony is presented in a differing script to the remaining verbal elements, including “at Home”. These invoices are all, with one exception in respect of placement of nannies/maternity nurses. The remaining invoice, that from 2005, refers to Harmony on its own where it is included in the address from which the invoice has originated and also Harmony at Home in respect of contact details (email address and web address) for the customer. At the bottom of the invoice also includes the phrase “Harmony in your home”. It is also noted that the service provided was lifestyle management.

Witness Statements

29. In respect of the statements filed in support of the opposition, I note that Ms Natalie Gill was aware of the opponent trading from 2005 onwards and Ms Naomi Davies from 2004 onwards, the latter being herself a customer of the opponent on two occasions in 2008. To this extent, I see no reason to believe that these witness statements are in any way unreliable and in terms of confirming that the opponent was actually trading, they are further supported by the evidence from Ms Carol Lee, who is a witness for the applicant. She herself also states that she has been aware of the opponent around 2 years prior to making her witness statement. As this was dated in March 2011, this would date her initial awareness to be on or around March 2009. I also acknowledge that Ms Gill and Ms Davies state that the opponent is referred to as both Harmony and Harmony Nannies and will return to this point, if and where necessary, later in my decision.

Conclusion on goodwill

30. Bearing in mind all of the above, I consider that, on balance, Ms Gray has demonstrated that her business has goodwill in respect of at least some of the services claimed (see below). In reaching this conclusion, I fully take into account the argument of Harmony that the goodwill is so limited so as to be trivial. Though I accept that the opponent’s business is small, it has shown to have traded consistently over a period of time, it has advertised during this period and has achieved national press coverage. In my view, the goodwill achieved therefore, cannot be described as merely trivial. Therefore, I am not persuaded by the applicant on this.

31. Having decided that the opponent has a business which attracts a potentially protectable goodwill, I must go on to consider the names with which the goodwill of the business is associated. To my mind, two aspects are clear. Firstly, the denomination Harmony at Home appears throughout the evidence filed, on invoices, in advertisements and there is an example of coverage in the national press. I am wholly convinced that this term is one with which the

business of the opponent is associated. Secondly, there is no convincing documentary evidence to support Ms Gray's claim that her business is also referred to and known as Harmony Nannies. Whilst it is true that the witness statements of Ms Gill and Ms Davies make this claim, there is no convincing evidence in support and even the Google analytics report is unpersuasive, in that it may merely reflect the kind of search terms that one might expect in conducting a search for a company whose business is in respect of the recruitment of nannies and other childcare specialists (and other closely related services) and which include the word Harmony in its title. Even if it is possible that some may use Harmony Nannies as a "nickname", I am not wholly persuaded by Ms Gray's claim on this point and so find that Harmony Nannies is, on balance, not a name by which her business and goodwill is associated.

32. This leaves the denomination Harmony. I note that Harmony is used in an advertisement on Ms Gray's car, circa 2004. Though, as already stated, the applicant argues this was in respect of services which bear no resemblance to childcare recruitment services as they have applied for, I have already indicated my disagreement with this, for the reasons already given. There is also an invoice, dated 2005 in respect of lifestyle management which refers to the denomination Harmony. In addition, the remaining invoices as a header include a stylised depiction of the verbal elements Harmony at Home, as I have already described where the word Harmony can be picked out from the remaining elements. This raises the possibility that the clients, customers etc who receive these invoices, have been exposed to the element Harmony in a manner which sets it apart from the remaining elements "at home". Further, the article which appeared in the MLT Training Magazine included the same stylised verbal element. This documentary evidence is also supported by the witness statements of Ms Gill and Ms Davies who state that they know and refer to the opponent as Harmony. Finally, the nanny agency listing from the guide Best Bear also referred to Harmony at Home as Harmony. Though this has been a difficult matter to decide, taking all these factors in the round, I am of the view that, on balance, the evidence demonstrates that Harmony is also a term associated with the business of the opponent. I should also add that in respect of the services for which the opponent has claimed goodwill, that the evidence does not support this across the board. Rather, I consider that goodwill has been shown to attach to the opponent's business in respect of *recruitment and placement services of nannies, maternity nurses, childcare services, lifestyle management training for parents*.
33. However, this is not the end of the matter as the applicant argues that even if the opponent has a protectable goodwill, this is geographically limited in scope. In considering this issue, I bear in mind the decision in *Chelsea Man Plc v Chelsea Girl Limited and Another* [1987] RPC 189 in which it was held that a local goodwill can be sufficient to found a national injunction in respect of passing off.
34. In these proceedings, the opponent has demonstrated that her business has customers in several locations, for example, Brighton, Cambridge,

Surrey and several addresses in London and it is clear that these are all to be found in the region of the South East of England. The trade mark applied for is for a national registration which covers this region and absent a geographical restriction, the applicant's use is liable to be restrained as passing off. I am satisfied therefore that there is a non trivial goodwill present here, which is sufficient to found a Section 5(4)(a) objection.

Final remarks on goodwill

35. Ms Quinn argues that any assessment in respect of goodwill must bear in mind the alleged actions of Ms Gray as regards website changes etc, which according to Ms Quinn, have the effect of making confusion between the respective signs of the parties more likely. I disagree with this. My assessment in relation to goodwill must assess the position as at the relevant date in these proceedings, which I have already outlined to be the filing date, namely 15th April 2010. I must assess the evidence outlining the trading activities that have been undertaken in order to reach a finding on this issue. Ms Quinn's position is therefore irrelevant as regards the assessment of goodwill, not least because the alleged actions occurred after the relevant date in these proceedings. I will comment further on her allegations, if appropriate, under misrepresentation below.

Misrepresentation and damage

36. Having decided that there is goodwill in respect of *recruitment and placement services of nannies, maternity nurses, childcare services, lifestyle management training for parents* and that this goodwill is associated with the names Harmony at Home and Harmony, I must go on to consider if there has been misrepresentation and whether any such misrepresentation is such as to cause damage to them. In this respect, I am mindful of the comments of Morritt L J in the Court of Appeal decision in *Neutrogena Corporation and Anr. V Golden Limited and Anr.* [1996] RPC 473 when he confirmed that the correct test on the issue of deception or confusion was whether, on the balance of probabilities, a substantial number of the opponent's customers or potential customers would be misled into purchasing the applicant's products in the belief that it was the opponent's. Further, Lord Fraser in *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31 HL, stated that the opponent must show that "he has suffered, or is really likely to suffer, substantial damage to his property in the goodwill".

37. Firstly, I must make an assessment of the respective signs. These are shown below:

Harmony at Home Harmony	Harmony Nannies
Earlier unregistered trade marks	Trade mark application

38. I note that the identical element Harmony appears at the start of each of the signs, indeed in respect of one of the earlier signs, the word makes up the entirety of the sign. They differ in that the earlier trade mark includes the words “at Home” which are not present in the trade mark applied for and the later trade mark includes the word “Nannies” which does not appear in either of the earlier trade marks. However, due to the inclusion of an identical element in each, which also appears in the same position in each of the signs, I consider the later trade mark to be visually and aurally similar to a relatively high degree when compared with the earlier sign Harmony at Home and to a high degree when compared with the earlier sign Harmony.

39. In considering a conceptual assessment of the signs, the identical element Harmony will be understood as meaning “a state of peaceful agreement and co-operation” (Collins English Dictionary, 2011 HarperCollins Publishers Ltd). “Home” will be understood to mean “the place where one lives” (Collins English Dictionary, 2011 HarperCollins Publishers Ltd). As a complete phrase, the earlier trade mark Harmony at Home may be understood as referring to the achievement of a state of peaceful agreement and co-operation in the place where one lives. In the trade mark applied for, the word Harmony will be understood as already described and the element “Nannies” will be assumed to mean the plural of “nanny” namely, “a woman whose job is looking after small children” (Collins English Dictionary, 2011 HarperCollins Publishers Ltd). Whereas the earlier trade mark is likely to be understood as a complete phrase as already described, the trade mark applied for does not have such a clear meaning in the exact same manner. However, it does include the coincidental word Harmony, which is the key hook upon which the meaning of the complete earlier phrase rests as it is descriptive of a state, the earlier trade mark then merely adding a particular location where this state can be achieved. The effect of this is that addition of the word “nannies” in the trade mark applied for does not have the impact of creating a clear conceptual gap between it and the earlier trade mark as it does not have the effect of lessening the impact of the word Harmony or sufficiently altering its context. At least a degree of conceptual similarity therefore remains.

40. In respect of the earlier trade mark Harmony, the only differentiating feature is the element Nannies in the contested sign. Although the earlier sign will be understood as more of an abstract concept, the addition of Nannies in the contested sign does not, in my view, have the effect of creating a clear conceptual gap as the essential hook associated with the word Harmony remains. They are conceptually similar, at least to some degree.

41. The sum of this is that I therefore consider the trade marks Harmony at Home and Harmony Nannies to be similar to a relatively high degree overall and Harmony and Harmony Nannies to be highly similar.
42. Whilst there is no requirement for there to be a common field of activity of the respective parties, see *Lego Systems A/S v Lego M Lemelstrich Ltd* [1983] FSR 155, the level of similarity of the respective goods and services is, nonetheless, a relevant factor.
43. The earlier services are in respect of: *recruitment, placement and payroll services of nannies*. The services applied for are proper to class 35 and are: *agency offering recruitment and job placement services of nannies and childcare professionals*. I consider that these services are both in respect of the recruitment of nannies and other childcare specialists and so are clearly identical. The respective signs, as already outlined have been found to be similar. However, before reaching a conclusion on whether or not there is, or there is likely to be misrepresentation (leading to damage), I must consider the relevance and impact, if any, of the instances of confusion between the respective signs which have allegedly occurred.

Alleged instances of actual confusion

44. I will consider each of the alleged incidents in turn and will do so against the background of acknowledging that much of the detail surrounding them appears in the form of hearsay evidence. As such, I bear in mind the guidance regarding Hearsay evidence as outlined in Practice Direction Notice (PDN) 08, the relevant section of which is as follows:

“Considerations relevant to weighing of hearsay evidence

Practitioners are also advised to bear in mind that, pursuant to section 4 of the Act, in estimating the weight (if any) to be given to hearsay evidence in proceedings before the Comptroller, the Comptroller and those acting on his behalf shall have regard to any circumstances from which any inference can reasonably be drawn as to the reliability or otherwise of the evidence. Reference should be made to the factors of which the Comptroller may take account in estimating the weight (if any) to be given to hearsay evidence under section 4(2) of the Act. This states that regard may be had, in particular, to the following:

- a. whether it would have been reasonable and practicable for the party by whom the evidence was adduced to have produced the maker of the original statement as a witness;

- b. whether the original statement was made contemporaneously with the occurrence or existence of the matters stated;
- c. whether the evidence involves multiple hearsay;
- d. whether any person involved had any motive to conceal or misrepresent matters;
- e. whether the original statement was an edited account, or was made in collaboration with another or for a particular purpose;
- f. whether the circumstances in which the evidence is adduced as hearsay are such as to suggest an attempt to prevent proper evaluation of its weight”.

45. The first incident is what I have already referred to as “The Lady incident”. This includes hearsay evidence from Ms Gray in her witness statement and an attempt to remedy this by the applicant by way of a witness questionnaire from Ms Sue Arnold of The Lady Magazine. To my mind, there are only two clear facts which can be directly established by the evidence, namely the invoice itself. Firstly, that it occurred almost contemporaneously to the filing date of the trade mark applied for. This is shown by the date of the invoice, (11/05/2010) which refers to an order date of 29/04/2010 and the filing date is of course 15/04/2010. Secondly, that an invoice was sent to the opponent instead of the applicant. However, there is a great deal of disagreement as to how and why this incident really occurred and what conclusions can be drawn from it. Unfortunately, I do not consider the evidence filed to be helpful in resolving either of these points. The applicant’s attempt to discredit any notion of “confusion” is in the form of a witness statement from Ms Clovis in respect of the results of a witness questionnaire she conducted with an employee of The Lady Magazine. It is true that the actual questionnaire was also exhibited in evidence, but it makes clear that it was actually another colleague and not Ms Arnold, whose actions led to the mistake occurring as it was this other colleague who ascertained address information which led to the invoice being sent to the wrong company. I am told that this colleague used the internet to search for an address to send the invoice to. The evidence does not indicate what search term was used in this process neither does it inform me as to how resulting hits were presented. I therefore have in my possession no information whatsoever that helps me discern whether this mistake occurred as a result of any real confusion between the actual signs or was as a result of a mistake being made in the search terms used or was merely the result of an incorrect address being selected from a list of companies. As neither of these scenarios is able to adequately explain why this incident occurred, I cannot conclude that it provides an example of actual confusion between the signs.

46. The second incident also includes hearsay evidence and involves Ms Susan Evans and the selection of an incorrect telephone number following the use of a local telephone directory. It is again unclear how the error came about as there is no detail as to what information was passed to the telephone operator. There is consequently no information as to whether the error occurred as a result of the initial information given by Ms Evans to the telephone operator, the operator's interpretation of the information given, any clarification questions the operator may or may not have asked, nor the listings from which the operator could choose the correct (or in this case incorrect) telephone number. The sum of this incident therefore, is that no real conclusion as to whether or not the respective signs were confused can be reasonably drawn.
47. The third incident involved Ms Carol Lee, who made a witness statement which has already been described above. She unequivocally states that she was not confused between the signs and rather, she selected in her haste, the incorrect telephone number from a list of nanny recruitment agencies on the internet. Some important detail is absent from this account, such as whether or not this listing was alphabetical in nature, which would make it possible for, for example, the opponent's company to be listed directly above the applicant's. As such, I cannot conclude that it is proof of confusion between the signs.
48. The lack of conclusive evidence of actual confusion between the signs is not, however, fatal to the opponent's case, nor is it supportive of the applicant's. The assessment I must make is notional, forward looking and based upon the respective signs in question and the relevant goods and services. This assessment is not dependent upon instances of actual confusion occurring, though these can be a relevant factor as support for or against a particular conclusion being reached. I must decide, whether or not based upon the respective signs and the services to which they relate, the public is likely to be misled or somehow confused between Harmony at Home/Harmony and Harmony Nannies with the result being that the applicant's services are commissioned instead of the opponent's. In this regard, I am not obliged to take into account Ms Quinn's allegations against Ms Gray in respect of changes made to the opponent's website in order to make confusion more likely as these are all matters which occurred after the relevant date. Further, I note that Ms Gray denies the allegations. My assessment and conclusion must be based on the state of affairs as at 15th April 2010. Finally, in respect of Ms Quinn's view as regards the differences in "get up" of the respective trade marks of the parties, I note that the trade mark applied for is Harmony Nannies (word only) and that I found the opponent's goodwill in the business to be associated with Harmony at Home and Harmony, irrespective of exact get up. The assessment to be made must therefore be conducted in respect of these trade marks.
49. I have already found the respective services to be identical. Furthermore, the signs, as a result of the coincidental element Harmony, are similar to a relatively high degree in respect of the earlier Harmony at Home and to a high degree in respect of the earlier Harmony. Bearing in mind the closeness

of the signs in question and the coincidental areas of activity in which the parties operate, which potentially introduces opportunities for them to be in direct competition with one another, it seems to me that it is highly likely that a misrepresentation will occur and that damage will result. I am of the view therefore that the opposition succeeds in its entirety.

Final Remarks

50. I note that in her Witness Statement, Ms Quinn criticises Ms Gray for not supplying any documentation regarding the incorporation of her company in August 2010. Ms Quinn appears to be suggesting that in not doing so, the position as to ownership of goodwill is unclear and so it follows from this that, it is unclear as to how damage can be caused to this goodwill. I am not clear as to where Ms Quinn is going with this, but comment that the filing date of the trade mark application was 15th April 2010, with the opposition being filed on 13th August 2010. Ms Gray filed this opposition in her own name, with the incorporation of her company occurring later, on 20th August 2010. The evidence in respect of goodwill all predates the filing date of the trade mark application, therefore there is no issue, either with Ms Gray's standing to bring the opposition, nor in respect of goodwill, which is associated with her business regardless of any later change in status.

COSTS

51. The opponent has been successful and is entitled to a contribution towards its costs. Neither party sought costs off the normal scale and I am of course mindful that neither party sought a hearing. In the circumstances I award the opponent the sum of £1000 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Statutory fee for filing opposition - £200
Filing notice of opposition and considering counterstatement- £300
Filing evidence and submissions and considering the applicant's evidence - £500

Total £1000

52. The above sum should 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 8th day of November 2011

**Louise White
For the Registrar,
The Comptroller-General**