

# O-401-16

**IN THE MATTER OF THE TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 3064237  
BY RONALD TERENCE RICHARDS  
TO REGISTER THE TRADE MARK  
VENOM  
IN CLASS 25**

**AND IN THE MATTER OF OPPOSITION  
No. 403640 BY  
VTEC LIMITED**

**ON APPEAL FROM THE DECISION OF MR ANDREW WALL  
DATED 7 MARCH 2016**

## DECISION

1. This is an appeal from a decision of Mr Andrew Wall, the Hearing Officer for the Registrar, in the opposition by VTEC Limited ("the Opponent") to the registration of the mark 'VENOM.' Mr Wall decided that the opposition succeeded and the Applicant, Mr Richards, appeals that decision.

### **Background**

2. On 15 July 2014, Mr Richards applied to register the trade mark VENOM for sports clothing in Class 25. The application was published on 17 October 2014, and an opposition was launched by the opponent on the basis of its earlier Community Trade Mark (now an "EUTM") No 9398454 which was filed on 23 September 2010 and registered on 6 March 2011. The Opposition was based upon sub-sections 5(3)(b), 5(3) and 5(4)(a) of the 1994 Act. The EUTM consists of a device of a snake's head together with the word VENUM:



It is registered for goods in Classes 9, 25 and 28. The Class 25 specification is for 'Clothing for combat sports and martial arts; martial arts suits; shorts; kimonos; sports footwear, in particular for martial arts; T-shirts; bermuda shorts; and sweatshirts.'

3. Both parties filed evidence but neither side sought a hearing and the Hearing Officer decided the case on the papers. He found, in summary:

- a. Mr Richards relied upon the fact that his Venom brand had been in use for some 30 years, however, the brand had been used in relation to security alarms, which was irrelevant to the goods in the specification of the mark which Mr Richards now sought to register;
- b. As a result, it was not necessary for the Hearing Officer to try to resolve a factual dispute between the parties, in that Mr Richards had referred in his witness statement to having had a sportswear company in 2001, but the Opponent, in its written submissions, stated that it had not been able to find that company, but only a number of Venom companies formed by Mr Richards in 2014 and 2015;
- c. Evidence provided by both sides in relation to proceedings in other jurisdictions was either irrelevant or of little weight because of the differences between the relevant jurisdictions and the position in the UK;
- d. The goods for which Mr Richards wished to register his mark were identical to those within the Class 25 registration of the EUTM; identity would not be avoided by Mr Richards' proposal to exclude martial arts clothing from his specification;
- e. The marks were visually, aurally and conceptually similar;
- f. The average consumer would be anyone participating in sports, whether athletes or the general public, and an average degree of care would be used in selecting such goods;
- g. The EUTM had a medium level of inherent distinctiveness which was not significantly increased by the use which had been made of it;
- h. On a global appreciation of all of those factors, there was a likelihood of confusion between the marks; and
- i. In the circumstances it was not necessary for the Hearing Officer to consider the Opponent's claims under sub-sections 5(3) and (4)(a).

#### **Approach to the appeal**

4. The appropriate approach for me to adopt on these appeals is well established. An appeal to the Appointed Person is by way of review. In *Reef* [2002] EWCA Civ 763, [2003] RPC 5 Robert Walker LJ (as he then was) said:

"...an appellate court should in my view show a real reluctance, but not the very highest degree of reluctance to interfere in the absence of a distinct and material error of principle" (*Reef Trade Mark* [2003] RPC 5 at [28]; see also *BUD Trade Mark* [2003] RPC 25).

5. The principles which apply to an appeal to the Appointed Person as to an appeal to the Court of Appeal were described by Lewison LJ in *Fine & Country Ltd v Okotoks Ltd* [2013] EWCA Civ 672, [2014] FSR 11, where he said:

"50. The Court of Appeal is not here to retry the case. Our function is to review the judgment and order of the trial judge to see if it is wrong. If the judge has applied the wrong legal test, then it is our duty to say so. But in many cases the appellant's complaint is not that the judge has misdirected himself in law, but that he has incorrectly applied the right test. In the case of many of the grounds of appeal this is the position here. Many of the points which the judge was called upon to decide were essentially value judgments, or what in the current jargon are called multi-factorial assessments. An appeal court must be especially cautious about interfering with a trial judge's decisions of this kind. There are many examples of statements to this effect. I take as representative Lord Hoffmann's statement in *Designers Guild Ltd v Russell Williams (Textiles) Ltd* [2000] 1 WLR 2416, 2423:

"Secondly, because the decision involves the application of a not altogether precise legal standard to a combination of features of varying importance, I think that this falls within the class of case in which an appellate court should not reverse a judge's decision unless he has erred in principle."

6. In addition, in *Fage UK Ltd & Anor v Chobani UK Ltd* [2014] EWCA Civ 5 Lewison LJ said:

"114. Appellate courts have been repeatedly warned, by recent cases at the highest level, not to interfere with findings of fact by trial judges, unless compelled to do so. This applies not only to findings of primary fact, but also to the evaluation of those facts and to inferences to be drawn from them. ... The reasons for this approach are many. They include:

- i) The expertise of a trial judge is in determining what facts are relevant to the legal issues to be decided, and what those facts are if they are disputed.
- ii) The trial is not a dress rehearsal. It is the first and last night of the show.
- iii) Duplication of the trial judge's role on appeal is a disproportionate use of the limited resources of an appellate court, and will seldom lead to a different outcome in an individual case.
- iv) In making his decisions the trial judge will have regard to the whole of the sea of evidence presented to him, whereas an appellate court will only be island hopping.
- v) The atmosphere of the courtroom cannot, in any event, be recreated by reference to documents (including transcripts of evidence).

vi) Thus even if it were possible to duplicate the role of the trial judge, it cannot in practice be done.

115. It is also important to have in mind the role of a judgment given after trial. The primary function of a first instance judge is to find facts and identify the crucial legal points and to advance reasons for deciding them in a particular way. He should give his reasons in sufficient detail to show the parties and, if need be, the Court of Appeal the principles on which he has acted and the reasons that have led him to his decision. They need not be elaborate. There is no duty on a judge, in giving his reasons, to deal with every argument presented by counsel in support of his case. His function is to reach conclusions and give reasons to support his view, not to spell out every matter as if summing up to a jury. Nor need he deal at any length with matters that are not disputed. It is sufficient if what he says shows the basis on which he has acted. ...”

### **Merits of the appeal**

7. The Opponent did not appear and was not represented at the hearing of the appeal; Mr Richards represented himself before me.
8. In the TM55, Mr Richards summarised his complaint as being that the Hearing Officer "did not deal with my evidence in the way to represent my case for my application." Further points were raised in the body of the Grounds of Appeal, and I shall deal with these in turn, as explained to me further by Mr Richards in his oral submissions at the hearing of the appeal.

### **Venom Sports & Leisurewear Limited**

9. Mr Richards dealt in his evidence before the Hearing Officer with his prior trading history under and by reference to the trade mark Venom. The Hearing Officer summarised that evidence at paragraph 11 of his decision, and accepted that Mr Richards had been involved with a business, Unitech Security Products Ltd, which used the Venom trade mark in relation to a range of car alarms and security systems. Mr Richards applied to register the device trade mark shown below in his own name to protect that use of the Venom mark in 1996. His application for “Electrical and electronic apparatus, all for vehicles; anti-theft apparatus and security apparatus, all for vehicles; parts and fittings for all the aforesaid goods” in Class 12 was successful and the mark remains on the register:



10. The Hearing Officer also referred to the registration by Mr Richards of a company under the name Venom Sports & Leisurewear Limited. Mr Richards' evidence below was that the company was formed in 2001, but the Opponent questioned the date of its incorporation, because its search on the Companies Register showed only a Venom Sports & Leisurewear Limited which had been incorporated in 2014. The first point raised by Mr Richards on the appeal was that he had indeed registered Venom Sports & Leisurewear Limited on 13 July 2001, and he annexed to the Grounds of Appeal a certificate of incorporation of that company, which had company number 4251924. This is fresh evidence which would not normally be properly adduced on an appeal, but in the light of my findings below, it does not seem to me inappropriate to note the contents of the certificate.
11. I do not know why the 2001 company does not appear on the Companies Register, but Mr Richards confirmed to me at the hearing of the appeal that it had subsequently been dissolved and, if I understood him correctly, he said that it had not traded prior to its dissolution. As the Hearing Officer said, Mr Richards' evidence below was that the Venom device mark had been used on clothing such as T-shirts and hoodies worn by customers and engineers installing Venom security products "as a means of promotion and emphasising approved fitter status." The Hearing Officer noted that Mr Richards exhibited some documents showing use of the Venom device mark upon small promotional items such as pens, but none showing use upon clothing, nor any evidence of the scale of distribution.
12. In those circumstances, it seems to me that any use made of the Venom device mark upon clothing was use designed to promote the Class 12 goods rather than use as a trade mark for clothing, regardless of who/which company was using the device mark in that way.
13. The question of whether or not Venom Sports & Leisurewear Limited was in existence in 2001 does not therefore seem to me to be a matter which would in any circumstances have affected the Hearing Officer's decision. That was the view which he expressed in paragraph 11 of his decision, and it seems to me that he was correct, and there are no grounds to appeal this

decision based upon the existence of the original Venom Sports & Leisurewear Limited company.

14. The Hearing Officer said at paragraph 13 of his decision:

" ... The fact that [Mr Richards] has a brand in the field of security alarms (and a registration in Class 12 filed in 1996) is not pertinent because the dispute here is about clothing. Whilst [Mr Richards] may have been advised that he was not precluded from using the mark on clothing items, this is merely a reflection that a trader does not need to have a registered trade mark to use a particular sign in the course of trade, subject, of course, that such use does not infringe the rights of others. However, the opponent has an earlier mark and it is entitled to rely on it in these proceedings. Furthermore, there is nothing to show that the opponent has acquiesced to the use by [Mr Richards.]"

In my view, the Hearing Officer's summary of the position in relation to Mr Richards' earlier rights was correct.

15. A rather similar point was made by Mr Richards about one of his exhibits, which consisted of an article in the Birmingham Post which refers to Unitech Security Products but did not name the Venom mark. Mr Richards explained why the article did not mention the mark, but the article seems to me to have been irrelevant to the Hearing Officer's assessment of the merits of the opposition, and equally irrelevant to the appeal.

#### **Timing of the Opponent's evidence**

16. Mr Richards complained that he received the Opponent's evidence three days after the deadline by which it had to be filed and he submitted that the evidence was "null and void". It may well be that Mr Richards received the evidence after the deadline, but the IPO's file shows that the evidence was received by it on 22 July 2015, which was the date set for the evidence to be filed. In those circumstances, it does not seem to me that there were grounds for the IPO to do as Mr Richards suggested it should have done, and refuse to consider the evidence in relation to the opposition.

17. Even if the evidence had been filed late, which it seems that it was not, in my view that factor would have no impact upon this appeal, because the decision below would have been made in favour of the Opponent even without any of its evidence having been taken into account. It was not necessary for the Opponent to prove that it made use of the EUTM, nor did the

Hearing Officer rely upon the Opponent's evidence as to acquired distinctiveness, reputation, etc in making his findings. Again, this is not a point which helps Mr Richards on the appeal.

### **The Opponent's "wrongful" use of Venom/the Venum mark**

18. All of the other points raised by Mr Richards in his Grounds of Appeal relate in one way or another to the manner in which the Opponent has been using the Venum mark, and in particular to his complaint about its use of the mark Venom, instead of or interchangeably with Venum. Mr Richards produced evidence of the results of Internet searches using the search term "venom," which appeared to show use of Venom rather than Venum on some items of the Opponent's sports clothing. In his view, this was not a proper use by the Opponent of its earlier registered mark, but was "identity theft," that is to say, an improper use of a mark belonging to others. Mr Richards also criticised the Opponent because he took the view that it had improperly used Venom as a Google keyword, and had ceased doing so deliberately fairly shortly before the hearing date. Mr Richards submitted that it was inappropriate for use of the search term "Venom" to direct potential customers to the "Venum superstore."
19. Mr Richards' various complaints about the Opponent's commercial behaviour and its lack of credibility seem to me essentially to be that the EUTM was not registered in good faith, or that it was not being used in good faith. Similarly, his submissions that the Opponent was using another person's mark suggest that, if justified in saying so, and on producing the right evidence, Mr Richards or some other third party might perhaps have been in a position to seek a declaration that the EUTM is invalid. The difficulty facing Mr Richards in these proceedings and on this appeal is that there had been no challenge to the validity of the EUTM on any basis. In those circumstances, the Hearing Officer was obliged and correct to treat it as a valid registration, as he pointed out in paragraph 13 of his decision which I have set out above.
20. The question of whether the Opponent has been using its EUTM or has been using the mark Venom is also irrelevant to the question which the Hearing Officer had to decide in the opposition before him; he was not considering the validity of the Opponent's trade mark registration, nor the legality or appropriateness of its commercial activities, but had only to consider whether the Opponent was entitled to object to the trade mark application filed by Mr Richards upon one of the bases set out in section 5 of the 1994 Act.
21. Mr Richards also sought to rely upon the position in relation to the registration of the Venum mark in the USA, which he said had been achieved after opposition by the owner of an earlier

Venom mark and only after restricting the specification of the US mark. This point was considered by the Hearing Officer paragraphs 15 and 16 of his decision. He concluded:

“16. US trade mark procedure is entirely separate from UK and EU law, and in any event I have no evidence before me regarding the case put by either party or how or even whether the matter is being decided. Therefore I cannot take it into account for the purposes of the present case.”

22. Mr Richards confirmed to me at the hearing of the appeal that the points which he had raised about the Opponent's restriction of the specification and its knowledge of a potential clash with an earlier Venom trade mark all related to the position in the USA. However, the evidence which he had filed below did not substantiate the points which he made. In the circumstances, I consider that the Hearing Officer was right on both of the points set out in paragraph 16. There is no error whatsoever in his summary of the position.
23. Lastly, rather similarly, Mr Richards complained of the Opponent alleging that his use of the Venom trade mark upon clothing would take advantage of its EUTM, when, he said, it had equally been taking advantage of earlier Venom marks. This point does not add anything to the merits of the appeal, because the Hearing Officer decided the opposition on the basis of sub-section 5(2)(b) alone, and did not decide the question of unfair advantage which was relevant to the objection under sub-section 5(3).
24. In the circumstances, I do not consider that there are any grounds for me to set aside the Hearing Officer's decision in relation to section 5. In my view, there is no material error of fact nor any error of principle in the Hearing Officer's assessment of the objection based upon sub-section 5(2)(b).
25. For all of these reasons, I reject the appeal.

#### **Costs**

26. Mr Richards' Grounds of Appeal did not raise any issue about the costs award made by the Hearing Officer. However he did complain about the costs in his skeleton argument and made submissions to me at the hearing about the level of the costs awarded to the Opponent by the Hearing Officer. He considered it unfair that any costs had been awarded to the Opponent when it had, in his view, profited from using the mark 'Venom' rather than 'Venum.' For the reasons set out above, that does not seem to me a good reason why the Hearing Officer should not have awarded costs in the Opponent's favour. Mr Richards told me that he had sought

unsuccessfully to resolve the dispute amicably with the Opponent. That was doubtless very sensible, but as he decided to fight the opposition when his approach to the Opponent was rejected, it does not seem to me that this is a reason why he should not have been ordered to pay the costs when he lost.

27. Mr Richards also told me that he had been told by someone at the IPO that the costs of the opposition would be no more than £700. I do not know on what basis he may have been told that, or whether there was some misunderstanding about it, but it seems to me that there is nothing out of the ordinary in the Hearing Officer's calculation of the costs below according to the usual scale. Even had the matter been raised properly in the Grounds of Appeal, therefore, I would not have interfered with the Hearing Officer's exercise of his discretion in relation to costs.
  
28. As I have said, the Opponent was not represented at the hearing of the appeal, nor did it make any substantive submissions in relation to the merits of the appeal. By a letter dated 26 July 2016, however, its trade mark attorneys stated that it had incurred costs in connection with the appeal, and asked for an award of costs in the Opponent's favour should the appeal be rejected, as it has been. The Opponent is in principle entitled to its costs of the appeal and I accept that its representatives will have spent some time considering the merits of the Grounds of Appeal. In the light of the contents of that document, I take the view that the appropriate sum to be awarded to the Opponent is the minimum sum on the scale, of £200. That sum is to be paid by Mr Richards to the Opponent, together with the £1200 awarded by the Hearing Officer, by 2 September 2016.

Amanda Michaels  
The Appointed Person  
16 August 2016