

O-409-14

TRADE MARKS ACT 1994

TRADE MARK REGISTRATION No. 2572109

IN THE NAME OF HAVOC STORE LIMITED

AND

APPLICATION FOR INVALIDATION No. 500094

BY HAVOC FIGHT GEAR LIMITED

Background and pleadings

1. This is an application dated 7 March 2013 by Havoc Fight Gear Limited (“the applicant”) for a declaration that trade mark registration No.2572109 in the name of Havoc Store Limited (“the proprietor”) is invalid.
2. The registered mark consists of the word HAVOC. The application for registration was made on 14 February 2011 (“the relevant date”) and the mark was registered on 20 May 2011 in relation to the following goods:

Class 25

Clothing, namely, t-shirts, shorts, compression shorts, compression shirts, sweatshirts, hats, baseball caps, toques, beanies, kimonos and grappling shoes. Sporting articles all included in class 25.

Class 28

Sports equipment for boxing and martial arts, namely, sparring gloves, training gloves for karate, shooto style gloves in the nature of karate gloves, boxing gloves, punching bag gloves, striking pads, athletic training pads and bags for sports fighting, athletic focus pads for sports fighting, kick mitts in the nature of athletic pads for the hands, shin guards for athletic use, karate head guards, athletic ear protectors, ankle supports for athletic use, bags specially adapted for sports equipment. Articles of sports clothing all included in class 28.

3. The applicant claims that the trade mark registration should be cancelled under section 47(2) of the Act which is as follows:

“(2) The registration of a trade mark may be declared invalid on the ground-
(a) -
(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied, unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.”

4. Section 5(4)(a) states:

“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.”

5. The applicant is represented in these proceedings by Mr Mohammed Azam, a Director of the company. Perhaps because the applicant has not been legally represented, the factual grounds for the application are not as clear as they could be.

However, it is tolerably clear that the applicant claims to have operated a business called HAVOC FIGHT GEAR since 2006 and to use the mark WREAK HAVOC in connection with that business. It therefore claims to own an earlier right in these names. The applicant claims to have used these marks in the Midlands, throughout the UK and internationally. The full list of goods in relation to which the applicant claims to have used the marks is as follows:

* Goods listed under class 25 consisting of: t-shirts, shorts, compression shorts, sweatshirts, hats/baseball caps.

As well as:

* Goods listed under class 28 consisting of: sports equipments for Boxing & Martial Arts namely - sparring gloves, training gloves for karate/mixed martial arts, shooto style gloves in the nature of karate gloves, boxing gloves, punching bag gloves, striking pads, athletic training pads and bags for sports fighting, athletic focus pads for sports fighting, punch bags, kick mitts/focus pads, shin guards, head guards, boxing hand wraps, weight lifting gloves, weight lifting belts.

6. The applicant says that the proprietor was established in mid 2011. Since it started trading under the name Havoc, the applicant claims to have received numerous enquiries from customers assuming that, or enquiring whether, the applicant's business is the same as that of the proprietor.

7. The proprietor filed a counterstatement in which it states:

Havoc Store Ltd was incorporated on 03/09/2010 following a great deal of research into the marketplace and a Brand that was not currently in use and possible to protect. Mr Rushworth followed the IPO guidelines and carried out extensive searches of the Trade Mark database, the Companies House database for any other possible similar businesses operating in the same market, as well as extensive online searches for any retailers already operating under a name containing or similar to Havoc. None of these detailed searches brought up any mention of Mr Azam or his sole trader activity under Havoc Fight Gear. Further to this there were also no products visible on the market bearing this mark.

Having completed this research it did not uncover any other conflicting brands and Havoc, in word (2572109), was registered with the IPO on 14/02/2011 and logo (2609172) on 04/02/2012. Mr Azam did not file any challenge at the point these registrations were published. Mr Azam also chose not to register a Mark, which we find very strange for someone claiming to have been developing a Mark since as early as 2006.

Havoc Store Ltd then discovered during assessment of their own brand position that Mr Azam had launched a range of equipment bearing the registered mark in July 2012, confirmed on his website.

8. The proprietor admits that it started as Radical Fight Shop, but says that it started trading as HAVOC after obtaining its trade mark registration (in May 2011). The proprietor otherwise denies the grounds for invalidation and, in particular, puts the applicant to proof of its claimed earlier right.

9. The proprietor was initially represented by Mr John Rushworth, who is a Director of the Havoc Store Ltd, but later appointed Pinsent Mason LLP to represent it.

The evidence

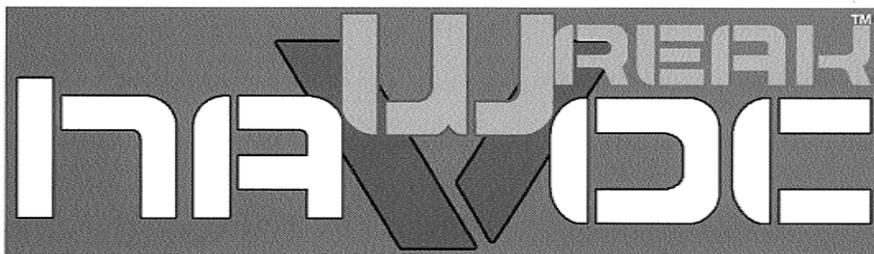
10. The applicant's evidence takes the form of two witness statements by Mohammed Azam, and supporting witness statements from:

- Muhammad Naeen, a partner in MNT Sports, which manufactures sports equipment in Pakistan;
- Mr Paul Simon Taylor, Mr Brendon Turner, Mr Paul Taylor and Mr Shahid Hussein, all of whom are boxers/martial arts fighters and/or trainers, and all of whom say that they have known of the applicant's Havoc Fight Gear/Wreak Havoc marks since 2007/2008.
- Mr Gwyn Williams of Williams and Williams Accountants, Mr Azam's accountant since 2007.

11. The proprietor's evidence takes the form of a witness statement by John Rushworth.

12. Both sides also filed two written submissions. The second submissions were in lieu of a hearing. The first submissions were filed during the evidence rounds. In particular, Pinsent Mason filed extensive written submissions criticising the accuracy and sufficiency of the applicant's evidence-in-chief, which prompted the applicant to file a significant volume of further evidence in reply.

13. Mr Azam's evidence is that he arranged for a graphic designer to design the mark shown below in 2006¹ and started trading in the UK in 2007 under the marks shown below it.



¹ See exhibit HFGL01



HAVOC FIGHT GEAR

14. Mr Azam claims that he ordered goods to be manufactured in Pakistan and received his first delivery of goods branded as WREAK HAVOC and HAVOC FIGHT GEAR on 13 February 2007. In support of this claim he provides a copy of a shipping notification clearance from IFE global logistics dated 13 February 2007² showing that 57 cartons weighing 860KG were shipped to him. The notice describes the goods as boxing gloves and punching bags. Mr Azam also provides³ copies of:

- An invoice dated 13 February 2007 from HFE Global Logistics showing that the goods mentioned above were shipped from Karachi to Felixstowe, where they arrived on 2 February 2007;
- A shipping note and customs packing list showing that 15 boxes of sports goods were sent from MNT Sports in Pakistan to Havoc Sports Gear in Birmingham on 11 May 2009 and a copy of another customs packing list dated 7 July 2010, both describing the goods in question as “HFG WREAK HAVOC” or “WREAK HAVOC” boxing or MMA gloves.

15. Mr Azam’s claim is further corroborated by the statement of Mr Naeem dated 27 November 2013. Mr Naeem says that he has known Havoc Fight Gear since 2006 and that his company has manufactured the following goods for that business:

Boxing gloves, various other types of fighting and weight lifting gloves and mitts, head guards, hand wraps, club uniforms, weight lifting belts, dipping belts, weight lifting straps, skipping ropes, rash guards/T-shirts and grappling shorts/board shorts.

² Exhibit HFGIFE01 to Azam 1

³ Exhibit HFG4 to Azam 2

16. Mr Azam says that he has marketed goods bearing the marks HAVOC FIGHT GEAR and WREAK HAVOC by supplying them to professionals in the fight industry so as to gain exposure for the marks in the relevant market. This claim is supported by the statements of Mr Paul Simon Taylor, Mr Paul Taylor, Mr Turner and Mr Hussein.

17. Mr Paul Simon Taylor is a mixed martial arts professional fighter. He is nine times Ultimate Fighter Championships fighter. Mr Taylor says that he has known HAVOC FIGHT GEAR since 2007 when they introduced a range of fight gear at a gym where he trained. The products have been used at fight events since 2007 by himself and by other fighters he knows. Mr Taylor says that the range of goods supplied covers fighting gloves, hand wraps, focus pads, punch bags and T-shirts. He further says that the marks shown at paragraph 13 above (with the exception of a gold covered variant which was introduced in 2012) have been used on the goods, packaging, and the marketing material used at martial arts events.

18. Mr Turner is a professional personal trainer, fitness coach and owner of Energize Personal Training Ltd. His business has a client base across the West Midlands. He was introduced to the HAVOC FIGHT GEAR and WREAK HAVOC marks when Mr Azam visited his gym in 2007. Since then Mr Turner has been sponsored by Havoc Fight Gear. He says that he has been provided with boxing and weight training attire under the HAVOC FIGHT GEAR and WREAK HAVOC marks. Mr Turner also claims to be familiar with the marks shown as paragraph 13, and he also makes the point that the gold coloured WREAK HAVOC mark was introduced in 2012.

19. Mr Hussein is a mixed martial arts professional fighter from London. His evidence is that he first saw the HAVOC FIGHT GEAR products at a gym he was training at in 2008. He liked the look of them and bought a pair of fighting gloves. At the date of his statement (December 2013), he was sponsored by Havoc Fight Gear. Mr Hussein says that he has often seen the applicant's products used at his gym. He confirms that the products bear the marks shown at paragraph 13 above, except that the gold coloured version was not available until 2012.

20. Mr Paul Taylor (no connection to Mr Paul Simon Taylor above) is also a professional mixed martial arts fighter. He is a heavyweight with many years of experience. Since 2008 he has been sponsored by Havoc Fight Gear, who supplied him with boxing and MMA gloves throughout this period. He also confirms that the products have carried the marks shown at paragraph 13 above (again with the exception of a gold covered variant which was introduced in 2012).

21. Mr Azam says that Havoc Fight Gear's products were promoted at fight events. He refers to an event in Wolverhampton on 18 September 2010 at which his business had a stall. The stall was promoted on the flyer for the event under the

WREAK HAVOC logo⁴. Mr Azam states that 32 WREAK HAVOC fighting gloves were sold that night alongside 20 T-shirts, 15 baseball caps and 40 hand wraps. Additionally 500 key rings and leaflets were distributed promoting HAVOC FIGHT GEAR. At another fight event at The Paragon Hotel in Birmingham on 19 November 2010, 800 people watched 'cage' fights where the applicant's WREAK HAVOC logo was advertised on the cage corner posts⁵.

22. Mr Azam purchased the domain name havoc-fight-gear.com in March 2007⁶. Although the website was not the primary means through which goods bearing the HAVOC FIGHT GEAR/WREAK HAVOC marks have been supplied, Mr Azam claims that such goods have been sold consistently via the website. He exhibits a selection of 36 invoices to his first statement⁷ which are intended to show such sales. Eight of these documents are PayPal transaction details showing that payment was sent to sales@havoc-fight-gear.com in respect of fighting gloves/mitts, hand wraps and, in one case a T-shirt described as "*Josh Koscheck UFC Fighter Carno Xyience*". Four similar documents show that further payments were sent to this web address prior to the relevant date, but the goods purchased are not named. Also included are 5 conventional invoices showing that goods were delivered to Mr Brendon Turner in 2007 and 2009 as part of the sponsorship arrangement with him and that 3 further sales were made (of a punch bag, gloves/mitts and hand wraps) to people in the UK prior to the relevant date. These invoices describe the gloves/mitts and punch bag (but not the hand wraps) as HAVOC FIGHT GEAR products. The remaining 19 'invoices' are either purchase orders from Havoc Fight Gear, a sale to someone outside the UK, or are dated after the relevant date.

23. Mr Azam exhibited a further 30 relevant invoices to his second statement⁸. These are dated between 11 January 2010 and 13 February 2011. They show the WREAK HAVOC logo and the mark HAVOC FIGHT GEAR. They cover the sale of 33 pairs of HAVOC FIGHT GEAR fighting gloves/mitts, hand wraps, a punch bag and a head guard to people throughout the UK. Each document is headed "*Your Online Order Confirmation*". Mr Azam says that they were sent to customers shopping on the Havoc Fight Gear website.

24. Mr Azam also provides figures showing the number of visitors to the website during 2010. These show that the site received 1200 to 1600 unique visitors per month during 2010. He also exhibits copies of three emails sent to info@havoc-fight-gear between August 2010 and January 2011. Two of these, both seeking sponsorship from Havoc Fight Gear in return for promoting the brand, appear to have been sent via the 'contact form' on the applicant's website. The third email,

⁴ See exhibit HFG6 to Azam 2

⁵ Exhibit HFG6 to Azam 2 contains a picture of the event showing the brand on the cage corner post.

⁶ See exhibit HFGWS01

⁷ As exhibit HFGIV01

⁸ See exhibit HFG4 to Azam 2

dated December 2010, was from someone who wanted to buy WREAK HAVOC fighting gloves as worn by Paul Taylor, but found that they were out of stock on the applicant's website. There is also a copy of an email in evidence from someone who claims that his son contacted the Havoc Fight Gear website in September 2010 seeking charitable support and received a donation of new boxing gloves and other fighting equipment.

25. As further evidence of the existence of Havoc Fight Gear's website, Mr Azam provides⁹ archived material showing a copy of Havoc Fight Gear's Facebook page including a post dated 21 December 2010 from someone called Etsham Eo Hussein praising the HAVOC FIGHT GEAR/WREAK HAVOC gloves which he had "*been using since 2008*". The page also includes material posted by the applicant stating that "*Havoc fight gear is your online UK martial arts equipment supplier for fight gear*". Another page from the applicant's Facebook site announces that "*after 7 years of supplying our Wreak Havoc range, Havoc Fight Gear will launch its exclusive 'Gold Edition Print' WREAK HAVOC range in July 2012*".

26. Mr Azam says that £1930 has been spent on promotional materials to support the Havoc Fight Gear/Wreak Havoc brands, that £12,750 was spent on sponsorship, and that goods to the value of £32,695, accounting for 3290 items, have been "*supplied*" under the brand (all of these figures reflect the position in December 2013 when his first statement was made).

27. These figures are supported by Mr Williams' statement. He provides an annual breakdown of the applicant's trade showing that Mr Azam supplied around £24k worth of goods between 2007 and the relevant date in 2011. Over this period the number of products supplied each year rose from 335 in 2007 to 535 in 2010. Mr Williams notes that Mr Azam's success allowed him to continue his business as a limited company from January 2013.

28. Mr Azam provides¹⁰ a copy of the landing page for the proprietor's eBay shop, which shows that the proprietor uses the mark HAVOC with visual emphasis on the letter V, which is similar to the way that the letter V is emphasised in the applicant's mark. The eBay page also shows the proprietor's mark in use in relation to boxing gloves, the applicant's core goods. Finally, Mr Azam provides a copy of a print out from a UK website called 'Duedil' which provides company data¹¹. The entry for the proprietor has a 'DueDil description' which includes the statement "*We have also been known as Havoc Fight Gear and have since changed our name to Havoc Store*". Mr Azam made enquiries of Duedil and received an email reply from 'Lucy' saying that she couldn't say who submitted this description, or when, but that she imagined that it was somebody from the [proprietor's] company.

⁹ As HG5 to Azam 2

¹⁰ Exhibit HSH101 to Azam 1

¹¹ Exhibit HFG9 to Azam 2

29. Mr Rushworth's evidence on behalf of the proprietor is that before applying to register the mark HAVOC he conducted a thorough review of the mixed martial arts market in the UK in order to check that the mark could be protected. This included searches of the registers of trade marks, companies, as well as general internet searches. He says that he did not find any trace of the applicant's marks.

30. Mr Rushworth exhibits a copy of a 'screengrab'¹² taken from the 'About Us' section of the applicant's website on 28 February 2014. This includes a statement that *"In July 2012 – we launched our exclusive "Wreak Havoc' range for trade stockists..."*. Mr Rushworth points out that this was over a year after the relevant date¹³.

31. Mr Rushworth also provides copies of the results of searches undertaken on the web archive called WayBack Machine which indicates that it could not find a record of the applicant's website in use in October 2007 or in February 2011.

32. According to the 'media pack' of a magazine called Fighters Only, the UK market for mixed martial arts products is at least £12.785m per annum. Mr Rushworth points out that the applicant's claimed trade represents only a tiny fraction of this market.

Approach to the evidence

33. Pinsent Mason filed lengthy written submissions on behalf of the proprietor consisting mostly of a forensic and critical analysis of the applicant's evidence of use of its marks. I will not list all the criticisms here, although I have considered them all. The main ones are that:

- Mr Azam is partial, therefore, although his statements are made in witness statements, they should be given no weight. Although the WREAK HAVOC design shown in exhibit HFGL01 has a visible screen date of October 2006, the date stamp is not conclusive evidence of the date of creation of a document because it can be manipulated by resetting the internal clock of the computer.
- The evidence of Messrs Naeem, Taylors, Turner and Hussein should be given little or no weight because they have a commercial interest in the success of the applicant's business and are therefore partial.
- Mr Williams does not make clear what he means by *"Havoc Fight Gear goods"* and would not be in a position to say that the (on average) 450ish

¹² Exhibit JR1

¹³ I note that the applicant's statement appeared beneath a version of the Wreak Havoc mark in which the word 'Wreak' was written in gold.

products supplied each year by the applicant were branded with the WREAK HAVOC mark.

- Only 5 of the 'invoices' attached to Mr Azam's first witness statement show that goods were sold prior to the relevant date branded with a mark including the word HAVOC, and the value of these goods was only £104.96.
- The invoices/order confirmations attached to Mr Azam's second statement do not show that the applicant's website was active in the period 2007 to 2011 because an email account can operate even if the website related to that domain is down or under construction.
- Evidence showing that goods were imported into the UK under the marks HAVOC FIGHT GEAR/WREAK HAVOC does not show that they sold here under those marks.
- The applicant's evidence of visits to its website is of limited relevance because it does not show the nationality of the people browsing the site, most of whom are likely to have been based outside the UK. In any event, it does not show that the site was in continuous operation between 2007 and 2011 or that it displayed any mark including the word HAVOC.
- The screen shots in exhibit HFG5 to Mr Azam's second statement (showing pages from the applicant's Facebook account) do not contain URLs, dates or anything else which could identify them as credible screenshots. Therefore they should be given no weight. In any event, the group which had access to the first of these pages (a post from someone praising the HAVOC brand) is recorded on the page as being a 'secret group', meaning that it was not open to members of the public, except by invitation.
- There is no evidence to corroborate Mr Azam's claim that his marks were promoted at fight events in late 2010, or his claims about the number of people who attended these events. In any event, they were small local events. Although the WREAK HAVOC mark may have been applied to the inside of one of the corner posts of the cage for the fights held at the Birmingham event, this would only have been visible to the fighters and not to the public.

34. Pinsent Mason also complains that some of the evidence in Mr Azam's second statement is not limited to evidence in reply to the evidence filed by the proprietor, as required by the directions I issued following a Case Management Conference held on 20 February 2014. With one exception, I reject this submission. Most of Mr Azam's second statement is in reply to evidence or submissions filed on behalf of the proprietor. The exception is the evidence of an entry on 'DueDil' apparently showing the proprietor associating itself with the applicant's business. The proprietor has not

been given (or asked for) leave to respond to this evidence. Therefore, although I see no point in striking it out at this stage, I will treat this evidence with appropriate caution. In this connection, I note that Pinsent Mason states that the proprietor has no knowledge of the origin of the offending description of its business on DueDil.

35. As can be seen from the above summary, the proprietor basically submits that Mr Azam's testimony should be given no weight, that the evidence of Messrs Naeem, Taylors, Turner and Hussein should not be believed, and generally that the applicant's documentary evidence does not prove the facts on which the applicant relies.

36. As regards the first submission – that Mr Azam's testimony about the use of the applicant's marks should be given no weight – I note that in *Pan World Brands Ltd v Tripp Ltd (Extreme Trade Mark)*¹⁴, Mr Richard Arnold Q.C. as the Appointed Person considered a similar submission in the context of revocation proceedings. He said:

“What constitutes evidence of use?”

“31. Basing himself upon the first three sentences of the passage I have quoted from MOO JUICE, counsel for the applicant submitted (1) that a mere assertion of use of a trade mark by a witness did not constitute evidence of use sufficient to defeat an application [for revocation] for non-use, and (2) it followed that mere testimony from a representative of the proprietor was not enough and such testimony had to be supported either by documentary records or corroborated by an external witness. I accept submission (1) but not submission (2). Kitchin J.'s statement that “bare assertion” would not suffice must be read in its context, which was that it had been submitted to him that it was sufficient for the proprietor to give evidence stating “I have made genuine use of the trade mark”. A statement by a witness with knowledge of the facts setting out in narrative form when, where, in what manner and in relation to what goods or services the trade mark has been used would not in my view constitute bare assertion. As counsel for the applicant accepted, it might not be possible for a trade mark proprietor to produce documentary evidence: for example all the records might have been destroyed in a fire. In such circumstances I do not see anything in either the Directive, the 1994 Act or the 2000 Rules which would require the proprietor to adduce evidence from an external witness (which is not to say that it might not be advisable for the proprietor to do so).”

37. I do not therefore accept the submission that Mr Azam's testimony on behalf of the applicant should necessarily be given no weight unless that facts to which he attests are independently proven by corroborating documents or evidence. Rather the proper approach is to consider Mr Azam's evidence for what it is worth and in the light of all the other evidence.

¹⁴ [2008] RPC 2

38. As regards Pinsent Mason's second submission - that the evidence of Messrs Naeem, Taylors, Turner and Hussein should be given no weight (which in this case can only be because it should not be believed) – I note that a similar submission was also considered by Mr Arnold in the *Extreme Trade Mark* case. The relevant part of his decision is set out below.

“Unchallenged evidence

33. Phipson on Evidence (16th ed) states at paragraph 12-12:

“In general a party is required to challenge in cross-examination the evidence of any witness of the opposing party if he wishes to submit to the court that the evidence should not be accepted on that point. The rule applies in civil cases as it does in criminal. In general the CPR does not alter that position.

This rules [sic] serves the important function of giving the witness the opportunity of explaining any contradiction or alleged problem with his evidence. If a party has decided not to cross-examine on a particular important point, he will be in difficulty in submitting that the evidence should be rejected. However the rule is not an inflexible one ...”

34. The authority cited in support of this statement of the law is the decision of the *House of Lords in Browne v Dunn (1894) 6 R 67*. The relevant passages from the speeches are set out in the judgment of Hunt J. in *Allied Pastoral Holdings v Federal Commissioner of Taxation (1983) 44 ALR 607*, the material parts of which are quoted in the judgment of the Court of Appeal in *Markem Corp v Zipher Ltd EWCA Civ 267, [2005] R.P.C. 31 at [59]-[60]*.

35. In my judgment the learned editors of *Phipson* are correct to say that the rule is not an inflexible one. There are at least two well-established exceptions to it. The first is that, as the speech of Lord Herschell L.C. in *Browne v Dunn* makes clear, it may not be necessary to cross-examine on a point if the witness has been given full notice of it before making his statement. As I pointed out in *BRUTT Trade Marks [2007] R.P.C. 19 at [23]*, this may be significant in registry proceedings where evidence is given sequentially. The second is that a court is not obliged to accept a witness's evidence in the absence of cross-examination if it is obviously incredible: see *National Westminster Bank plc v Daniel [1993] 1 WLR 1453*.

36. Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings which is not obviously incredible and the opposing party has neither given the witness advance notice that his evidence is to be challenged nor challenged his evidence in cross-examination nor adduced evidence to contradict the witness's evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and it is not open to the opposing party to invite the tribunal to disbelieve the witness's evidence.”

37. Despite this, it is not an uncommon experience to find parties in registry hearings making submissions about such unchallenged evidence which amount to cross-examination of the witness in his absence and an invitation to the hearing officer to disbelieve or discount his evidence. There have been a number of cases in which appeals have been allowed against the decisions of hearing officers who have accepted such submissions. Two recent examples where this appears to have happened which were cited by counsel for the proprietor are *Score Draw Ltd v Finch* [2007] EWHC 462 (Ch), [2007] BusLR 864 and *EINSTEIN Trade Mark (O/068/07)*. Another recent example is *Scholl Ltd's Application (O/199/06)*. I consider that hearing officers should guard themselves against being beguiled by such submissions (which is not, of course, to say that they should assess evidence uncritically).”

39. As Mr Arnold noted, the sequential filing of evidence and written submissions in Registry proceedings means that evidence can be challenged in a way that gives the witness a chance to respond to that challenge before the Hearing Officer is asked to disbelieve the evidence. That is what happened here. The proprietor’s first written submissions stated that the witnesses in question were partisan and therefore prone to help the applicant. The witnesses concerned filed no further evidence in response to that criticism (although Mr Azam himself did). As the proprietor gave notice that the witnesses’ evidence was going to be challenged, I consider that it was open to the proprietor to submit in its final written submissions that I should disbelieve their evidence. Given the relatively modest financial value of the parties’ trade under the marks at issue, the decision not to ask for a hearing at which these witnesses could be cross examined may have been an entirely proportionate decision. However, in deciding what weight to give to their evidence, I must nevertheless keep in mind that they have not been cross examined. This inevitably places the focus on the written evidence. This net result is that these witnesses’ evidence must be accepted as true provided it is credible and not contradicted by the other written evidence.

40. As regards the third submission – that the applicant’s documentary evidence does not prove the facts on which the applicant relies – it follows from what I have said that it does not need to – by itself. The proper approach is to consider the evidence as a whole.

41. In deciding what the evidence as a whole shows, I will keep in mind that in civil proceedings the evidential standard is the balance of probabilities. I point this out because some of the forensic criticisms of the applicant’s evidence, made on behalf of the proprietor, more than hint that the applicant must prove its case ‘beyond reasonable doubt’, i.e. to the criminal standard. That would be placing the evidential burden of proof higher than it actually is.

Findings of fact

42. I find that Mr Azam's business has been trading in the UK under the marks HAVOC FIGHT GEAR and WREAK HAVOC since 2007. Mr Azam's evidence of imports of goods by Havoc Fight Gear, described in some of the shipping documents as WREAK HAVOC goods, of sales invoices/order confirmation notices from Havoc Fight Gear, some of which also show use of the WREAK HAVOC mark from 2010, strongly support his claim to have traded under those marks since 2007. Mr Azam's evidence is also supported by, and consistent with, the evidence of Messrs Naeem, Taylors, Turner and Hussein.

43. I accept Mr Azam's evidence that the goods at issue have been promoted mainly through sponsorship of sporting professionals and through promotion at gyms. I also accept Mr Azam's evidence that the WREAK HAVOC mark was promoted via public fight events in the West Midlands in late 2010.

44. I therefore reject Mr Rushworth's evidence about a statement on the applicant's website, which he claims shows that the WREAK HAVOC mark was not launched until July 2012. This is because the applicant has provided persuasive evidence of earlier use of WREAK HAVOC in the UK. In this connection, I note that the statement in question refers to the 2012 launch of the Wreak Havoc range "*for trade stockists*". This is not inconsistent with Mr Azam's business having made direct sales prior to that. This is consistent with the evidence of an email dated December 2010 from someone who wanted to buy WREAK HAVOC fighting gloves as worn by Paul Taylor, but found that they were out of stock on the applicant's website¹⁵. I have also noted Mr Azam's evidence (supported by the evidence of Messrs Taylors, Turner and Hussein) that a special gold version of the mark was first used in 2012.

45. Despite Mr Rushworth's evidence from the WayBack Machine indicating that the applicant's website was not operative in October 2007 and February 2011, I also find Mr Azam's evidence about the number of hits on the site persuasive to the extent that it shows that his business was selling WREAK HAVOC products via the Havoc Fight Gear website through, at least, 2010 and into early 2011.

46. I accept Mr Azam's and Mr Williams' evidence as to the number and value of the goods supplied by the Havoc Fight Gear business. It is not clear from their evidence whether the figures they provide include goods supplied free of charge to the professionals sponsored by Havoc Fight Gear. I infer from Mr Azam and Mr Williams' use of the neutral word "*supplied*" (as opposed to "*sold*") that the value of goods supplied (around £24k prior to the relevant date) included goods supplied to those sponsored. Mr Azam says that £12.5k was spent on sponsorship up to December 2013, the majority (at least) of which appears to have taken the form of the supply of

¹⁵ See HFG7 to Azam 2

free branded kit. Mr Azam says that his business had supplied around £32k worth of goods under the HAVOC marks by the end of 2013. This suggests that the value of goods actually sold under the HAVOC marks prior to the relevant date in 2011 is unlikely to have been more than £16k. That does not mean that the use of the marks on goods supplied free of charge is irrelevant. Such use is still relevant to the extent that it helped to build goodwill under the marks and attract future customers. This is because goodwill is “*the attractive force which brings in custom*”¹⁶.

47. I find that the evidence establishes that the applicant’s business had acquired goodwill under the marks HAVOC FIGHT GEAR and WREAK HAVOC by the relevant date in February 2011. This is borne out by the evidence showing that between August 2010 and January 2011 the applicant’s Havoc Fight Gear business was being approached by people asking for WREAK HAVOC fighting gloves or for donations of fighting gear.

48. It is likely that the applicant’s goodwill was focussed on the West Midlands where three of the applicant’s four sponsored professionals were based, although the invoices/order confirmation notices in exhibit HFG1 show that online sales were made to people throughout the UK.

49. I find that the applicant’s business was primarily trading in fighting gloves/mitts and an associated product called a hand wrap. However, the goodwill will have extended to cover other ‘fight gear’ (including training gear), such as punch bags, head guards and focus pads (which I believe are very similar to boxing gloves). There is also one invoice from 2007 (to Mr Brendon Turner, before he was sponsored) for a WREAK HAVOC weight lifting belt, which may be a training item used by mixed martial arts fighters etc.

50. I note that Mr Naeem’s evidence is that his firm produced a wider range of goods for Havoc Fight Gear. Further, Mr Turner says that he was also supplied with “*weight training attire*”. However, both of these witnesses’ evidence describes the position at December 2013 rather than at the relevant date in 2011.

51. Mr Azam says that Havoc Fight Gear also supplies T-shirts and baseball caps. He says he sold 20 of the former and 15 of the latter at a promotional event in Wolverhampton on 18 September 2010. However, there is no information as to how these goods were branded. Even if they bore the marks HAVOC FIGHT GEAR or WREAK HAVOC, these are the sort of goods on which a mark may be used in a purely promotional context in order to advertise other goods, e.g. fight wear¹⁷. Consequently, without specific information about the branding for the products, it is not possible to say whether the marks in question were used as trade marks for T-

¹⁶ See *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217

¹⁷ See, for example, *Wild Child Trade Mark* [1998] RPC 455

shirts and baseball caps or whether the T-shirts/baseball caps served a similar purpose to the promotional key rings given away free of charge at the same event. The invoices provided by Mr Azam (dated prior to the relevant date) make reference to the sale of only one T-shirt and this is described on the invoice as “*Josh Koscheck UFC Fighter Carno Xyience*”. Therefore although this product was sold by Havoc Fight Gear, the product itself does not seem to have been sold under either of the applicant’s HAVOC marks. I note that Mr Paul Simon Taylor’s evidence is that Havoc Fight Gear sells T-shirts under the HAVOC marks, but his statement was made in late 2013. He does not specifically address the position at the relevant date in early 2011.

51. In any event, the numbers of T-shirts/baseball caps sold by the applicant are very small indeed in the context of the market for such goods. Selling a few dozen T-shirts and baseball caps as an adjunct to the sale of other goods does mean that the applicant has acquired goodwill as a trader in T-shirts and baseball caps. Taking all of the above into account, I find that there is insufficient evidence to establish that the applicant’s goodwill at the relevant date covered ordinary clothing items, such as T-shirts and baseball caps.

Decision

52. Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

“The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- (1) that the plaintiff’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 defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of

passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.”

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

53. A key issue in this case is whether the goodwill of Havoc Fight Gear, which I accepted at paragraph 47 above, was more than a trivial goodwill at the relevant date so as to qualify for protection under the law of passing off.

54. In *Hart v Relentless Records*¹⁸ Jacob J. (as he then was) stated that:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in BALI Trade Mark [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used “but had not acquired any significant reputation” (the trial judge's finding). Again that shows one is looking for more than a minimal reputation.”

55. In that case a company called Relentless Records had issued around 1600 promotional records over a few years to around 500 DJs in the hope that they would play the music in their clubs. There was no evidence of any commercial sales, and no evidence that the name of the record company had been mentioned in association with any of the music that had been played in public. So it was not surprising that the judge held that any goodwill established by the promotional activity was of a trivial extent.

56. *Stannard v Reay*¹⁹ is often cited as a case in which a plaintiff succeeded in showing a protectable goodwill based on minimal trade. In that case the plaintiff had been operating a single fish and chip van on the Isle of Wight for 3 weeks or so under the name MR CHIPPY, when the defendant started doing exactly the same thing under the same name. Buckley J. granted an interlocutory injunction against the defendant on the basis that the defendant was probably passing off. In doing so, he held that the plaintiff had established sufficient goodwill in that case.

57. In the more recent case of *Lumos Skincare Ltd v Sweet Squared Ltd, Famous Names LLC, Sweet Squared (UK) LLP*²⁰ the Court of Appeal upheld a claim for passing off based on the claimant's use of the mark LUMOS for around three years prior to the defendant's use of the same mark, both in relation to anti-ageing products. The claimant's products sold for between £40 and £100 each. Between

¹⁸ [2002] EWHC 1984 (Ch)

¹⁹ [1967] FSR 140

²⁰ [2013] EWCA Civ 590

early 2008 and September 2009, the claimant had achieved a turnover of around £2k for quarter. From the latter date up until the relevant date in October 2010, the claimant's turnover increased to around £10k per quarter. Even so, the business remained a very small business with a modest number of sales. Nevertheless, the court was prepared to protect the goodwill in that business under the law of passing off.

58. Each case turns on its own facts, so comparisons with other cases only gets one so far. The question before me is whether the applicant has shown a small goodwill (which the law will protect) or only a trivial goodwill (which it will not). I accept that this is a borderline case. However, I find that it falls on the right side of the line from the applicant's perspective. I therefore find that the applicant has established that the business called Havoc Fight Gear had established a protectable goodwill at the relevant date.

59. The business concerned was known as HAVOC FIGHT GEAR, but many of the products it sold were branded WREAK HAVOC. I find that both names were distinctive of the business in question.

60. There is no suggestion that the proprietor was trading under a name including the word Havoc prior to the date of the application for registration on 14 February 2011. Therefore, this is the only relevant date for the purposes of my assessment as to whether the proprietor's use of HAVOC could have been prevented under the law of passing off.

61. In *Neutrogena Corporation and Another v Golden Limited and Another*²¹, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]”

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148 . The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175 ; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101.”

62. The relevant section of the public is the customers and potential customers of Havoc Fight Gear.

²¹ [1996] RPC 473

63. The applicant has provided no evidence of actual deception. However, as the case law cited above makes clear, this is not decisive. Ultimately, the likelihood of deception is a jury question and for this purpose I am the jury²².

64. The applicant trades as HAVOC FIGHT GEAR. The words 'fight gear' appear to be descriptive for most of the products covered by the registration. The distinctive part of the earlier right is the word Havoc. Therefore, the words HAVOC FIGHT GEAR are highly similar to HAVOC alone. HAVOC is also highly similar to WREAK HAVOC, particularly, as used by the applicant where HAVOC is given more emphasis than WREAK. In practice both parties also appear to use HAVOC with a similar emphasis on the letter V. However, as I find that the marks are highly similar even without similar stylisation, there is no need to decide whether the use of the registered mark in that form falls within the range of normal and fair uses of the registered mark.

65. I earlier found that, at the relevant date, Havoc Fight Gear traded in fight gear, particularly, gloves/mitts, an associated product called a hand wrap, punch bags, head guards, focus pads, and training equipment, specifically weight lifting belts. I find that these goods are identical, or highly similar, to all the proprietor's goods in class 28, except sports bags. Where the goods are identical or highly similar, I find that a substantial number of the relevant public are likely to believe that the proprietor's business is Havoc Fight Gear, or is economically connected to that business.

66. I further find that a substantial number of the relevant public are likely to believe that a business called HAVOC selling clothing and bags associated with fight gear; namely, compression shorts (and therefore also 'shorts' without restriction), compression shirts, kimonos (worn by martial arts fighters) grappling shoes, sporting articles all included in class 25 (i.e. sports clothing) and sports bags specially adapted for sports equipment, is the same business as, or economically connected to, Havoc Fight Gear.

66. I find that the remaining goods covered by class 25 of the registration; namely, sweatshirts, hats, baseball caps, toques and beanies are articles of general clothing. In my judgment, given the low degree of similarity between these goods and fight gear, and given the limited extent of the established goodwill of Havoc Fight Gear at the relevant date, it is not likely that a substantial number of the relevant public will believe that these are HAVOC FIGHT GEAR goods, even if they are sold under the name HAVOC.

67. I therefore find that the use of HAVOC by the proprietor, at the relevant date, in relation to the goods covered by the registration, except for sweatshirts, hats,

²² Per Lord Diplock in *GE Trade Mark* [1973] R.P.C. 297 at page 321

baseball caps, toques and beanies in class 25, would have constituted a misrepresentation.

68. I find there is insufficient evidence to establish that the misrepresentation was deliberate. However, it is not necessary to show an intention to deceive in order to succeed in passing off.

69. I find that the misrepresentation was liable to damage the goodwill of Havoc Fight Gear. As the parties are in the same field of business, there is the likelihood of damage caused by the proprietor gaining sales at the applicant's expense. In any event, as Warrington L.J. stated in *Ewing v Buttercup Margarine Company, Limited*²³:

“To induce the belief that my business is a branch of another man's business may do that other man damage in various ways. The quality of goods I sell, the kind of business I do, the credit or otherwise which I enjoy are all things which may injure the other man who is assumed wrongly to be associated with me.”

70. Although the business was based in the West Midlands, the evidence shows that it had customers throughout the UK via its website. Therefore the applicant's goodwill was entitled to protection against damage throughout the UK.

Ownership of the earlier rights

71. Pinsent Mason points out that, according to Mr Williams' evidence, the applicant company was not incorporated until January 2013. Therefore it could not have been trading since 2007. It is submitted that this means that the company is not the owner of the earlier rights in HAVOC FIGHT GEAR and WREAK HAVOC. According to article 5 of the Trade Marks (Relative Grounds) Order 2007²⁴, only the owner of an earlier right may apply to invalidate a trade mark based on that earlier right.

72. I think it likely that Mr Azam was trading as a sole trader under the names concerned between 2007 and 2013. It is possible that he transferred his goodwill to his new company. If that is right, he is entitled to make this application. However, Mr Azam has offered no evidence on this point, perhaps because it was made almost as an aside in a written submission. As Mr Iain Purvis Q.C. pointed out, as the Appointed Person, in *EGL Gem Lab Ltd v Guillaume Margel*.²⁵

“If a respondent in trade mark proceedings wishes to advance a positive case that the goodwill on which the applicant relies does not belong to the applicant, but in fact belongs to someone else, this must be positively

²³ [1917] 2 Ch. 1

²⁴ S.I. 1976/2007

²⁵ BL O/426/10

pleaded.”

73. The proprietor has not made an application to amend its pleadings so as to make such a point. However, it does seem to be a point which requires an answer. I will therefore proceed as follows:

- i) This decision is provisional;
- ii) Within 21 days of the date of this decision, the applicant must either provide a witness statement explaining how, at the date of the application (i.e. 7 March 2013), the applicant company was the owner of the goodwill in the business apparently conducted by Mr Azam as a sole trader since 2007 or ask in writing for Mr Azam to be joined as a co-applicant, and (in the latter case only) agree that Mr Azam will be jointly liable for any costs that become payable, along with the applicant company.
- iii) The proprietor will be given 10 days to comment on the applicant’s witness statement/application to join Mr Azam as a co-applicant.
- iv) I will then issue a further and final decision.

Provisional outcome

74. Subject to a successful resolution of the above point of ownership of goodwill, the application for invalidation will succeed, except in relation to:

Sweatshirts, hats, baseball caps, toques and beanies in class 25.

Costs

75. The provisional outcome is more favourable to the applicant than the proprietor. Therefore, the applicant is likely to be entitled to a contribution towards its costs. If the applicant had been legally represented, I would have been minded to award the applicant costs as follows:

£300 for filing the application and considering the counterstatement;
£200 official filing fee for Form TM26(i);
£1400 for filing evidence and considering the proprietor’s evidence and submissions;
£150 for filing written submissions in lieu of a hearing.

76. This comes to £2050. I would have reduced that to £1500 to take account of the fact that the application was not wholly successful.

77. However, where a party acts without the cost of legal representation it is important that the costs awarded do not exceed the costs actually incurred. Therefore I invite the applicant to provide a breakdown of its actual costs (other than official filing fee costs), which should explain how they have been incurred.

78. This breakdown should also be provided within 21 days. The proprietor will have 10 days to comment on this too.

79. My final decision will set out the costs I have decided to award after reviewing these documents.

Dated this 29th Day of September 2014

**Allan James
For the Registrar**