

BL O/422/20

TRADE MARKS ACT 1994

IN THE MATTER OF UK REGISTRATION NO 3142300  
IN THE NAME OF JOHN CHARNOCK  
IN RESPECT OF THE TRADE MARK:

**DR FEELGOOD TATTOO**

AND

AN APPLICATION FOR A DECLARATION OF THE  
INVALIDITY THEREOF UNDER NO 502254  
BY RAY CHARNOCK.

## **BACKGROUND**

1. Trade mark No. 3142300 shown on the cover page of this decision stands registered in the name of John Charnock (the proprietor). It was applied for on 28 December 2015 and completed its registration procedure on 25 March 2016. It stands registered for the following services:

### **Class 44**

Tattooing services; tattoo artist services; information, advice and consultancy in relation to the aforesaid services.

2. On 21 September 2019, Ray Charnock (the applicant) filed an application to have this mark declared invalid under the provisions of sections 47(1) and (2) and 5(4)(a) and 3(6) of the Trade Marks Act 1994 ('the Act').

3. The pleadings are as follows:

### Under s.5(4)(a) of the Act

The applicant has been trading in the UK in Liverpool since as early as 1990 providing tattooing services. This trading activity has established goodwill and reputation in the UK, and in particular in Liverpool under the sign DR FEELGOOD.

The adoption and use/registration of the name DR FEELGOOD by the proprietor in the UK in respect of tattooing services constitutes a direct misrepresentation to the public that the services provided are those of the applicant or are in some way associated with the applicant and the goodwill in the name DR FEELGOOD.

Consequently, the applicant has suffered damage and will continue to suffer damage by way of loss of sales/custom and loss of licensing opportunity.

Under s.3(6) of the Act

The proprietor is fully aware of the applicant's creation of and longstanding use of the name DR FEELGOOD. The proprietor and the applicant are brothers.

The UK trade mark application was therefore filed by the proprietor in the knowledge that he was not the true proprietor of the name/mark.

The application was filed and registration obtained with the intention to disrupt the trading activity of the applicant.

These actions amount to behaviour falling below that expected in honest commercial practices and equate to filing in bad faith.

4. The applicant relies on Dr Feelgood for tattooing, tattooing services, tattoo parlours and advice, information and consultancy services in connection with the aforementioned services. He maintains that the sign has been used in 'North West England, in particular Liverpool' since 1 January 1990.

5. The proprietor filed a counterstatement in which it denies the applicant's claims under all of the pleaded grounds. The totality of the proprietor's claim is brief, and I include it here, in full:

*"In response to the alleged passing off Mr John Charnock was working with Mr Ray Charnock as partners in Liverpool as drfeelgood tattoo for over 20 years . Providing tattoo and piercing services to the city of Liverpool.*

*For the past 15 years they were working together at the premises 57a Bold st . The lease was signed solely by Mr John Charnock trading as drfeelgood tattoo. Due to financial difficulties Mr Ray Charnock refused to put his name to any of the utilities or was willing to have anything to do with the day to day running of the studio only working as a sole trader as Mr Ray Charnock*

*not as drfeelgood . Everything to do with the running of the studio was down to Mr John Charnock as everything was in his name.*

*Mr John Charnock felt the need to trade mark the name to protect himself and the business as approximately 40 months ago Mr Ray Charnock left the business after over 20 years working together without any prior notice and set up his own studio once again using the name of drfeelgood tattoo studio, causing mass confusion to both studios.*

*Mr John Charnock has been trading as drfeelgood tattoo studio in Liverpool for well over 20 years and in this time has built up a very good reputation in the city for a very high standard of tattooing.”*

6. Both sides filed evidence. Neither side filed written submissions. The proprietor represented himself. The applicant was represented by Wilson Gunn.

### **Applicant's evidence**

#### Witness statement by Andrew Marsden and exhibits AM1-AM4

7. Mr Marsden is a trade mark attorney at the applicant's representative. His statement is dated 15 May 2019.

8. The first exhibit is from an online blog. The exhibit is a single page screen shot, taken from 'independent-liverpool.co.uk'. The exhibit is not dated. The title of the blog is, '40 things you'll only understand if you grew up in Liverpool in the 90's.' Below the title is a photograph of several shop fronts. The central image is 'Chip Shop 2000'. To the left of that is another shop front with the words 'Dr Feelgoo...' above the door. The remainder of the sign is cut off by a pillar. The image is of poor quality and the nature of the shop cannot be gleaned from the exhibit. The second page includes a photograph of a document which refers to an address rented by Urban Splash Work, with Ray Charnock listed as the tenant. The rest of the page consists of *google* hits relating to the closure of Chip Shop 2000 in 2008.

9. The second exhibit is a tenancy agreement for 71A Bold Street, Liverpool, dated 26 April 2002. The tenant is named as Ray Charnock. The third exhibit is an extract from a lease agreement, dated 29 June 2006. The lessee is shown as Ray Charnock, the use of the building is listed as, 'tattoo parlour'. The final exhibit is described as a rent receipt. It looks to be a tenancy summary shown on a computer screen. It is unclear and no details can be seen. There is no reference to the earlier sign, 'Dr Feelgood'.

### **Proprietor's evidence**

#### Witness statement by John Charnock and exhibits JC1-JC6

10. John Charnock is the proprietor and his statement is dated 12 August 2019. He states that when the Dr Feelgood Tattoo business moved to its current address, at 57a Bold Street, he became the sole leaseholder.

11. The first exhibit is a witness statement by Andrew Gregory, dated 12 August 2019. Mr Gregory has been a friend of the proprietor for 30 years and states that Mr John Charnock has traded as Dr Feelgood Tattoos from 57a Bold Street in Liverpool, for at least 10 years. The second and third exhibits are copies of gas and rates bills paid by Mr John Charnock, neither of which mentions the trade mark DR FEELGOOD TATTOO.

12. Exhibits four and five are pages from lease agreements for Mr John Charnock in respect of 57a Bold Street. No mention is made of a tattoo studio or the trade mark. The final exhibit is a letter from the landlord confirming John Charnock's tenancy.

### **DECISION**

13. I will deal first with the applicant's claim under section 5(4)(a) of the Act which 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, where the condition in subsection (4A) is met...

(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.

14. This section applies in applications for invalidation due to section 47(2) of the Act, which reads:

47(2) Subject to subsections (2A) and (2G), 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.

15. In *Discount Outlet v Feel Good UK* [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether "*a substantial number*" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

16. Halsbury's Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 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.”

## **Relevant date**

17. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC, as the Appointed Person, endorsed the registrar’s assessment of the relevant date for the purposes of section 5(4)(a) of the Act, as follows:

“43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’ ”

18. The applicant has claimed use of Dr Feelgood for tattooing services, tattoo parlours and related information advice services, since 1 January 1990. There is no evidence of use which supports this claim (a point I will expand shortly) and so the relevant date for assessment of the applicant's claim under this ground is the date of application of the contested DR FEELGOOD TATTOO trademark, namely, 28 December 2015.

19. The first hurdle for the applicant is to show that he had the necessary goodwill in the sign Dr Feelgood at the relevant date. Goodwill is described in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), in the following terms:

“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 start.”

20. The applicant's evidence does not show use of Dr Feelgood, by the applicant, for the provision of tattoo services or the operation of a tattoo parlour. The only possible reference to the earlier sign in the evidence is a photograph of a shop front (undated) which has the words 'Dr Feelgoo...' on the front. This may or may not be a premises operated by the applicant, and the nature of that business is not clear from the poor quality photograph provided. One of the applicant's lease agreements mentions that the leased premises is to be used as a tattoo parlour, but the name of that business is not specified. I have no evidence at all of, inter alia, turnover under the sign Dr Feelgood, advertising of the applicant's tattoo services, social media references to the applicant's business or a page or site for that business. There is no website, there are no customer testimonials, nor is there any evidence of the applicant's attendance at tattoo events, under the Dr Feelgood sign. In short, there is nothing before me to show that the applicant had generated any goodwill under the sign Dr Feelgood for the claimed services, at the relevant date.

21. Accordingly, the applicant's claim under this ground fails at the first hurdle. **The invalidation under section 5(4)(a) of the act fails.**

22. I will now go on to consider the applicant's claim under section 3(6) of the Act, which reads:

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

23. Again, the rationale for its operation as a ground for an invalidation can be found in section 47, sub-section (1), which reads:

"47 - (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration)."

24. The relevant case-law covering trade mark applications made in bad faith can be found in the following cases: *Chocoladefabriken Lindt & Sprüngli*, CJEU, Case C 529/07, *Malaysia Dairy Industries*, CJEU, Case C-320/12, *Koton*, CJEU, Case C-104/18P, *Sky v Skykick*, CJEU, Case C-371/18, *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others* [2009] RPC 9 (approved by the Court of Appeal in England and Wales: [2010] RPC 16), *Trump International Limited v DDTM Operations LLC*, [2019] EWHC 769 (Ch), *Copernicus-Trademarks v EUIPO*, General Court of the EU, Case T-82/14, *Daawat Trade Mark*, The Appointed Person, [2003] RPC 11, *Saxon Trade Mark*, [2003] EWHC 295 (Ch), *Mouldpro ApS v EUIPO*, General Court of the EU, Case T-796/17, *Alexander Trade Mark*, The Appointed Person, BL O/036/18, *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch) and *Sky v Skykick* [2020] EWHC, 990 (Ch).

25. The law appears to be as follows:

(a) While in everyday language the concept of 'bad faith' involves a dishonest state of mind or intention, the concept of bad faith in trade mark law must be understood in the context of trade: *Sky CJEU*.

(b) Applying to register a trade mark without an intention to use it is not bad faith per se. Therefore, it is not necessary for the trade mark applicant to be using, or have plans to use, the mark in relation to all the goods/services covered by the specification: *Sky CJEU*.

(c) The bad faith of the trade mark applicant cannot, therefore, be presumed on the basis of the mere finding that, at the time of filing his or her application, that applicant had no economic activity corresponding to the goods and services referred to in that application: *Sky CJEU*.

(d) However, where the trade mark application is filed without an intention to use it in relation to the specified goods and services, and there is no rationale for the application under trade mark law, it may constitute bad faith. Such bad faith may be established where there are objective, relevant and consistent indications showing that the applicant had the intention either of undermining, in a manner inconsistent with honest practices, the interests of third parties, or of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark: *Sky CJEU*.

(e) This may be the case where the exclusive right was sought as part of a strategy of using widely cast trade mark registrations as legal weapons for use against others in opposition proceedings and/or for the purposes of blocking applications by third parties: *Sky EWHC* and *Copernicus-Trademarks v EUIPO*.

(f) A trade mark may be applied for in good faith in relation to some of the goods/services covered by the application, and in bad faith as regards others: *Sky CJEU*.

(g) This may be the case where the applicant has included a specific term in the specification, such as 'computer games', with no intention of using the mark in relation to any such goods, simply to obstruct third parties from using or registering the same mark, or similar marks. It may also be the case where the applicant has included a broad term, such as 'computer software', with the intention of using the mark in relation to a particular sub-category of such goods/services, but no intention of using the mark in relation to all the other (sometimes very different) sub-categories of goods/services covered by the broad term, with the objective of obstructing third parties from using or registering the mark in relation to such goods/services: *Sky EWHC*.

(h) In deciding whether there was a rationale for registering the trade mark in relation to any particular term, it is necessary to bear in mind that trade mark proprietors have a legitimate interest in seeking protection in respect of goods or services in relation to which they may wish to use the trade mark in future (even if there were no plans to use the mark in relation to the goods/services at issue at the time of filing the application): *Sky EWHC*. It is therefore relevant to consider whether the goods/services in the contested application are related to those for which the mark has been used, or for which the applicant had plans to use the mark.

26. The following points are apparent from the pre-Sky case-law about registering trade marks in bad faith:

(i) Although it may be a relevant factor, the mere fact that the applicant knew that another party was using the trade mark in another territory does not establish bad faith: *Malaysia Dairy Industries*.

(j) Similarly, the mere fact that the applicant knew that another party used the trade mark in the UK does not establish bad faith: *Lindt, Koton (paragraph 55)*. The applicant may have reasonably believed that it was entitled to apply to register the mark, e.g. where there had been honest concurrent use of the marks: *Hotel Cipriani*.

(k) However, an application to register a mark is likely to have been filed in bad faith where the applicant knew that a third party used the mark in the UK, or had reason to believe that it may wish to do so in future, and intended to use the trade mark registration to extract payment/consideration from the third party, e.g. to lever a UK licence from an overseas trader: *Daawat*, or to gain an unfair advantage by exploiting the reputation of a well-known name: *Trump International Limited*.

(l) An application may also have been filed in bad faith where the applicant acted in breach of a general duty of trust as regards the interests of another party, including his or her own (ex) company or (ex) partners, or a party with whom there is, or had recently been, a contractual or pre-contractual relationship, such as a licensor, prospective licensor or overseas principal: *Saxon, Mouldpro*; or where a legal agreement prohibits such a filing.

27. The correct approach to the assessment of bad faith claims is as follows. According to *Alexander Trade Mark*, the key questions for determination in such a case are:

(a) What, in concrete terms, was the objective that the applicant has been accused of pursuing?

(b) Was that an objective for the purposes of which the contested application could not be properly filed? and

(c) Was it established that the contested application was filed in pursuit of that objective?

28. The applicant's intention (i.e. objective) is a subjective factor which must be determined objectively by the competent authority. An overall assessment is required, which must take account of all the factual circumstances relevant to the particular case: *Lindt*.

29. The matter must be judged at the relevant date, which is the date of the application for registration: *Lindt*.

30. It is necessary to ascertain what the applicant knew at the relevant date: *Red Bull*. Evidence about subsequent events may be relevant, if it casts light backwards on the position at the relevant date: *Hotel Cipriani*.

31. A statement on the application form that the mark is in use, or there is a bona fide intention to use it may, if untrue, provide evidence supporting a bad faith case, but is not sufficient by itself to justify the refusal or cancellation of the registration: *Sky CJEU*.

32. An allegation of bad faith is a serious allegation which must be distinctly proved, but in deciding whether it has been proved, the usual civil evidence standard applies (i.e. balance of probability). This means that it is not enough to establish facts which are as consistent with good faith as bad faith: *Red Bull*.

33. The full extent of the applicant's pleading under this ground is that the proprietor of the contested trade mark DR FEELGOOD TATTOO is fully aware of the applicant's creation of and longstanding use of the name DR FEELGOOD, as the proprietor and the applicant are brothers.

34. It is clear from the case law that bad faith is a serious allegation and one which must be distinctly proven. I have already found that the applicant has not provided any evidence showing his own use of DR FEELGOOD. Consequently, it is impossible for me to make a finding. In order to consider whether the proprietor was aware of the applicant's 'creation and longstanding use' of DR FEELGOOD there needs to be at least some evidence of the claimed use by the applicant. There is not and, as a result, as was the case with the previous 5(4)(a) ground, **the 3(6) claim fails at the first hurdle.**

## CONCLUSION

35. The application for invalidation fails under sections 5(4)(a) and 3(6) of the Act.

## **COSTS**

36. The proprietor has been successful and is therefore, in principle, entitled to a contribution towards its costs. As the proprietor is unrepresented, at the conclusion of the evidence rounds the Tribunal invited it, in the official letter dated 7 May 2020, to indicate whether it wished to make a request for an award of costs, and if so, to complete a pro-forma including a breakdown of its actual costs, including providing accurate estimates of the number of hours spent on a range of given activities relating to the defence of the opposition. It was made clear to the applicant that if the pro-forma was not completed then no costs would be awarded. The proprietor did not respond to that invitation. Consequently, I make no order as to costs.

**Dated this 7th day of September 2020**

**Al Skilton**

**For the Registrar,**

**The Comptroller-General**