

O-465-13

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2606412
BY SGI JEWELLERY LTD TO REGISTER THE TRADE MARK**

Little Mix

IN CLASSES 14 AND 25

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 103345
BY SIMCO LIMITED**

BACKGROUND AND PLEADINGS

1) On 9 January 2012, SGI Jewellery Ltd (“the applicant”) applied under the Trade Marks Act 1994 (“the Act”) for registration of the trade mark LITTLE MIX in respect of the following goods:

Class 14: *Jewellery*

Class 25: *Clothing*

2) The application was published in the Trade Marks Journal on 17 February 2012 and on 15 May 2012, SIMCO Limited (“the opponent”) filed notice of opposition to the application. The grounds of opposition are in summary:

- a) The application offends under Section 3(6) of the Act because the application was filed immediately following the appearance of the performing group LITTLE MIX on the TV show *The X-Factor* with the specific intention of trading off the reputation the group had established in its name;
- b) The mark offends under Section 5(2)(a) of the Act because it is in respect of an identical mark and similar goods to those covered by the Class 25 specification of the opponent’s earlier Community Trade Mark (CTM) 10377588.
- c) The mark offends under Section 5(3) of the Act because the opponent’s earlier mark is entitled to enhanced protection because of its reputation in respect to goods and services listed in its Class 9 and 41 specifications.

3) The mark relied upon is an earlier mark as defined by Section 6(1) of the Act because it has a filing date that predates that of the application. Further, because the registration procedure for the earlier mark was completed less than five years before the date of publication of the application, the opponent is not required to prove use of its mark in accordance with Section 6A of the Act. The relevant details of the opponent’s earlier CTM are shown below:

Mark details	Specification of goods and services
Community Trade Mark (“CTM”) 10377588	Class 9: <i>Sound storage media, image storage media and data storage media, all being pre-recorded; sound storage media, image storage media and data storage media, all for interactive use; exposed films, especially feature films.</i>
LITTLE MIX	
Filing date 28 October 2011	Class 25: <i>Clothing, including T-shirts, sweatshirts, jackets, hats and baseball caps.</i>
	Class 41: <i>Entertainment and education, all in the</i>

<p>Date of entry in register 08 March 2012</p>	<p><i>nature of television programmes, radio programmes and electronic publishing, all the before mentioned services provided also interactively on-line (e.g. via the Internet); organizing of concerts; production, distribution and rental of exposed films, especially feature films.</i></p>
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4) The applicant filed a counterstatement denying the opponent's claims and subsequently voluntarily removed the Class 25 goods from its list of goods. As a result, the only goods remaining in the application are those covered by the single term "jewellery" in the remaining Class 14.

5) Both sides filed evidence in these proceedings and the applicant also filed written submissions, and I will take full account of these. Both sides ask for an award of costs. The matter came to be heard on 17 July 2013 when the opponent was represented by Mr Benet Brandreth of Counsel, instructed by Ladas & Parry LLP and the applicant was represented by Sharon Gallacher, Director of the applicant company. Mrs Gallacher was also cross examined.

Opponent's Evidence

6) This takes the form of a witness statement by Mr Graham Farrington, registered trade mark attorney and partner in Ladas & Parry LLP, the opponent's representatives in these proceedings. He states that the information he provides comes from his own knowledge or from the opponent and by the representatives of the group, LITTLE MIX.

7) Mr Farrington explains that the opponent co-produces the TV series, *The X Factor*, a well-known annual nationally broadcast programme since 2004. One of the successful bands that appeared in the show was called RHYTHMIX, but at an early stage in the series it changed its name to LITTLE MIX. Mr Farrington filed the CTM relied on in these proceedings on 28 October 2011, with the first appearance of the group under its new name occurring the following evening.

8) Mr Farrington states that the group were highly popular on the 2011 series of *The X Factor* and that the series itself also remained very popular with the TV viewing public. Exhibit GF2 is an article from *digital spy* and provides a breakdown of the public voting on the 2011 series. This shows that the group received 8.7% of all the votes during the series and went on to win the grand final.

9) At Exhibit GF3 is a copy of an article that appeared in the *Guardian* newspaper's website showing that the final, broadcast on 11 December 2011 was the most watched television programme that year with an audience of nearly 13.7 million (44.8% of the total viewing public). A table of unknown origin is provided at Exhibit GF4 and provides viewing figures for all episodes of the 2011

The X Factor. The lowest audience figure was nearly 11.4 million, but this still represented 40.9% of the viewing public.

10) In December 2011 a charity song was issued by the contestants of *The X Factor* and included LITTLE MIX. This went to number one of both the physical and digital music charts. At Exhibit GF5 is a computer print-out from one of the opponent's associated companies showing that the song achieved a total of nearly 170,000 sales. Following the end of the series, the group released its own single that also went straight to number one in the charts in December 2011 and selling over two hundred thousand copies in the first week. Another computer print-out from the same source as the previous exhibit records total sales of this single as being nearly 435,000 as of 12 February 2012.

11) Following the group's performance on the programme each week, the song was made available on the *iTunes* website. Sales numbers are provided at Exhibit GF7. This exhibit is covered by a confidentiality order. It is sufficient for me to record here that it illustrates a total figure in many tens of thousands.

12) The final of the series took the form of a two day live show at Wembley Arena where LITTLE MIX merchandising in the form of T-shirts, key chains and photo cards were sold. Exhibit GF8 is a spread sheet detailing these sales. Again, this exhibit is covered by a confidentiality order. It is sufficient that I record here that it records a small number of sales.

13) Following the end of *The X Factor* series, there was a live tour featuring the contestants including LITTLE MIX. This was heavily publicised during the advertisement breaks of the 2011 series. Merchandising goods were also sold on this tour and, in addition to the range of goods available at the live final, were posters and wristbands. The final exhibit subject to the confidentiality order, Exhibit GF9, is a spread sheet detailing sales relating to the sale of t-shirts, key chains, photo cards and posters during the tour between 25 February 2012 and 6 April 2012.

[REDACTED]
[REDACTED] No information is provided regarding the revenues from such sales. Photographs of t-shirts, a poster, a photo card, a key chain and a wristband are provided at Exhibit GF10. All except the key ring feature the name LITTLE MIX together with a picture of the group and a stylised mark of *The X Factor* is also visible. The key ring features the same picture of the band as seen in the other photographs.

14) Mr Farrington explains that after writing to the applicant on 16 March 2012, the applicant withdrew the Class 25 specification. A subsequent telephone conversation with a Mr Gallacher on behalf of the applicant is referred to by Mr Farrington and he states that Mr Gallacher conceded that the applicant had no use prior to LITTLE MIX appearing on *The X Factor* and indicated that the application had been filed to use the name of the group. He advised that the

applicant's goods were of good quality and offered the possibility of licensing his company's product to the opponent to endorse the group. After obtaining instructions, Mr Farrington wrote to the Mr Gallacher on 12 April 2012 at the applicant company referring to this conversation and declining the offer of a licensing arrangement between the parties. Mr Farrington's letter to Mr Gallacher is provided at his Exhibit GF12.

15) Mr Farrington has conducted a company search, a copy of which is provided at Exhibit GF13, illustrating that Mrs Sharron Gallacher is the sole director and shareholder of the applicant company. He also believes that Mr Gallacher is Mrs Gallacher's husband and he states that Mr Gallacher made reference to his wife in his telephone conversation with Mr Gallacher.

Applicant's Evidence

16) This takes the form of a witness statement by Mrs Gallacher. She states that the applicant company was incorporated in July 2010 and that she has worked for the company since that time. In reply to Mr Farrington's statement that during telephone conversations with Mr Gallacher he admitted to bad faith, Mrs Gallacher strongly denies this.

17) Mrs Gallacher states that the name LITTLE MIX was chosen for a new charm collection because they are both "little" and a mixture of different things. Further, it is stated that the terms "little" and "mix" are widespread in the jewellery trade. At Exhibit SG11 are presented results of two *Google* Internet searches, the first for "Jewellery" and "Little" that produced 212 million results and a second for "Jewellery" and "Mix" that produced 58.2 million results. The same exhibit also contains Internet extracts, all dated 3 October 2012, from a number of websites, some but not all clearly from the UK, showing the marks PICK & MIX, ENVY & MIX, PICK AND MIX, DOLLY MIX, MIX AND MOULD, MIX NECKLACE LITTLE CHARM and MIXED AMBER BRACELET –LITTLE SQUARES in use in respect to jewellery.

Applicant's late evidence

18) At the hearing, I agreed to admit into the proceedings late evidence from Mrs Gallacher subject to it being resubmitted in the correct format and under cover of a witness statement. This was duly done on 25 July 2013.

19) In this witness statement, Mrs Gallacher strongly denies the claims made by Mr Farrington in his witness statement, relating to the telephone call made to Mr Farrington by Mrs Gallacher's husband (detailed in paragraph 14, above). The witness statement introduces three letters. At Exhibit SG12, the first of these is a "To whom it may concern letter" from Tomar Shiri, Online Marketing Manager of ELF 925 Jewelry in Bangkok, Thailand. The full text of the letter is reproduced below:

“Since 1999 ELF925 has established itself as a manufacturer, distributor and wholesaler of sterling silver jewellery that is known around the world.

To respond to constantly changing tastes and trends our team of 10 designers & model makers provides us with a constant stream of new ideas that allows you and us to stay ahead of the competition. We pride ourselves on our original, innovative and trendy designs. We can also make your own customized designs which will obviously remain exclusive to you.

In the summer of 2011, SGI Jewellery Ltd contacted me to inquire if we could produce a 3D Charm Collection called “Little Mix”.”

20) Exhibit SG14 is a copy of a letter from Phil Jones, Director of Alpha Pack Limited. It reads:

“Dear Sir/Madame

Alphapack UK Ltd specialised in packaging for jewellery companies e.g. jewellery boxes and gift bags.

We were contacted in Early 2011 by SGI Jewellery Ltd, enquiring about packaging for a new Jewellery brand they were going to create called “Little Mix”.

I believe this statement is true to my knowledge

Regards

Name: Phil Jones

Position: Director

Signature: [signature appears here]”

21) Exhibit SG15 is a copy of a letter from Dani Feiner, Director of Finer Packaging Ltd. It reads:

“Dear Sir/Madame

Finer Packaging is one of the UK’s longest established suppliers of jewellery and gift packaging and have been manufacturing and supplying the jewellery and gift trades for over half a century.

We were contacted in the summer of 2011 by SGI Jewellery Ltd, enquiring about packaging for a new Jewellery brand they were going to create called "Little Mix".

I believe this statement is true to my knowledge

Regards

Name: Dani Feiner

Position: Director

Signature: [Mr Feiner's name appears here in an unknown typeface]"

Cross Examination

22) As mentioned earlier, Mrs Gallacher attended the hearing for cross-examination. Mrs Gallacher was not a particularly convincing witness. She was often evasive, attesting to a poor memory in respect to a number of important issues and showing a lack of detailed knowledge of the evidence in the case, including that which has been presented as being her own statements. I find it convenient to classify the issues covered by Mr Brandreth in the following way:

Timing of the applicant's actions

23) In her witness statement, Mrs Gallacher attested to choosing the mark LITTLE MIX in early to Summer 2011. Mr Brandreth pressed her on being more precise with the timing, however, she was unable to be any more precise citing that it was over two years ago. Mr Brandreth pointed out that at the time the proceedings were instigated (15 May 2012) it was no more than one year later and questioned why she could not have been more precise at the time she filed her evidence in November 2012. Mrs Gallacher was unable or unwilling to be more specific. She explained that as the applicant does not retain any emails (because it receives 200 to 300 a day from its trading activities on eBay, and its storage capability was insufficient to store so many emails) and consequently, she was unable to refer to these for clarification on the date.

The role of Mrs Gallacher's husband

24) It is not disputed that Mrs Gallacher's husband contacted by telephone the opponent's representative, Mr Farrington. However, when questioned by Mr Brandreth, Mrs Gallacher disputed Mr Farrington's version of events as set out in his witness statement. This was despite not challenging this evidence in her own written evidence. She stated that whilst she was aware that the conversation had taken place, as far as she was aware it was for no more than to inform Mr Farrington that the applicant was removing the Class 25 specification from the

application. She denied that her husband was acting on her authority or that she had any knowledge that the issue of licensing was discussed during the telephone conversation.

25) She was also at great pains to distance her husband from any role in the applicant company, stating that he has his own job "in finance". This sits rather uncomfortably with the fact that he appeared to be acting on behalf of the applicant and with Mrs Gallacher's knowledge when he contacted Mr Farrington. Despite having an opportunity to explain the reason for this under cross examination, Mrs Gallacher limited her responses to statements to the effect that she did not know what was discussed and that she was unable to provide any information regarding any conversation she may have had with her husband on the point. This was despite Mr Brandreth, on a number of occasions, attempting to get Mrs Gallacher to elucidate what her husband may have told her about the telephone call, but she remained evasive on the point.

26) Mr Brandreth also enquired of Mrs Gallacher why, in her written evidence, she did not challenge the evidence of Mr Farrington when he stated at paragraph 11: "I believe Mr Gallacher who telephoned me on behalf of SGI Jewellery Limited is the husband of the company owner as he made reference to his wife during our conversations. I also believe that Mr Gallacher made his calls with the full authority of his wife and of the company and was entitled to represent and speak for the company when so doing."

27) In the telephone call to Mr Farrington, Mr Gallacher apparently stated (as reflected in Mr Farrington's witness statement) that Class 25 had only been included on behalf of a friend and he would withdraw that element of the application. When this was put to Mrs Gallacher, she confirmed this stating that she never had any intention of using the mark in respect of clothing because her interest was only in jewellery. When pressed, Mrs Gallacher did provide a name of the friend interested in the Class 25 element of the application.

28) Mr Brandreth referred Mrs Gallacher to the statements made by Mr Farrington in his witness statement. These regarded a further telephone call from Mr Gallacher when, Mr Farrington claimed, Mr Gallacher indicated that the application had been filed to use the name of the band featured in the *X Factor* and offered to licence the mark to the opponent. In her own written evidence, Mrs Gallacher had made a blanket denial regarding the contents of this paragraph. Upon questioning by Mr Brandreth, she conceded that she knew a second telephone call had been made by her husband to Mr Farrington, but that she had no knowledge of what was discussed. In response to this Mr Farrington had written to Mr Gallacher at the applicant company declining the offer to enter into such an agreement.

29) Mr Brandreth asked Mrs Gallacher if she spoke to her husband about this telephone call. She confirmed that she had and that her husband strongly denied

Mr Farrington's version of events, but was unable to provide any information regarding what her husband had said was discussed in the telephone conversation. Mr Brandreth asked if the offer to licence was made with her approval, to which, Mrs Gallacher replied "what is a licence?" and repeating that she knew nothing about the phone call as she was not there.

30) Mr Brandreth asked Mrs Gallacher why Mr Farrington's letter to her husband would have included a response to her husband's offer to a licence if no offer was made. Mrs Gallacher was merely able to respond by saying that her solicitor dealt with things like that and that the solicitor should be addressed on this issue.

Letters from third parties

31) As part of her written evidence, Mrs Gallacher produced a number of letters from business contacts to support her contention that she thought up the mark in 2012, before the band appeared on *The X Factor* (see paragraphs 19 to 21 above).

32) In response to Mr Brandreth's questions, Mrs Gallacher confirmed that it was she who contacted Mr Shiri of ELF925 and that this was done by e-mail, but once again, she was unable or unwilling to be any more precise than to state that this was in the Summer of 2011. Mrs Gallacher also stated that it was herself who contacted Mr Shiri again to ask him to provide a letter, for the purpose of these proceedings, to confirm this. Mr Brandreth asked if Mrs Gallacher had drafted the letter allegedly from Mr Shiri. She denied this.

33) Mr Brandreth pointed out that both Mr Jones letter and that of Mr Feiner begin with "Dear Sirs/Madame". He addressed Mrs Gallacher on the misspelling of "madam", putting it to her that it was not just coincidence and that she, in fact, had drafted both letters. Mrs Gallacher denied this.

34) Mr Brandreth asked if Mrs Gallacher enquired of Mr Jones if he had email records of Mrs Gallacher's original approach in 2011. She explained that he did not have these records because his company was dissolved in 2011. Mr Brandreth asked why Mr Jones was signing a letter, in 2013, as a director of Alpha Pack Limited when the company was dissolved back in 2011. Mrs Gallacher's response was that it is because that was his position in 2011. Mr Brandreth stated that the letter gives a totally false impression that Mr Jones is a current director of Alpha Pack Limited.

35) Mr Brandreth submitted to the proceedings a copy of the application for dissolution of the company, pointing out that the application was made on 26 June 2011. It also includes the words "Warning to all applicants; it is an offence to knowingly or recklessly provide false or misleading information". Mr Brandreth pointed out that when this is read together with Section 1004 of the Companies Act (that requires that dissolution of a company cannot be applied for unless it

has not traded for at least three months), that Mr Jones could not have traded any later than 26 March 2011. Mrs Gallacher could not be certain that this was after she had come up with the name LITTLE MIX.

36) In respect of Mr Fiener's letter, Mr Brandreth drew attention to its first paragraph and submitted into the proceedings a copy of the front page of Finer Packaging's website. Identical wording appears in both. Mr Brandreth also pointed out that the letter is unsigned. Mr Fiener's name appears in place of a signature in, what Mr Brandreth identified, the font Brush Script MT. Mr Brandreth also produced an extract from the company records for Finer Packaging Limited. The extract is a termination of appointment director showing that Mr Daniel Feiner ceased to be a director in July 2011. Therefore, the letter falsely claims that Mr Feiner is a director.

37) Mr Brandreth also drew Mrs Gallacher's attention to the way that Mr Jones' and Mr Feiner's letters conclude. Both end with the words "I believe this statement is true to my knowledge". The words "the best of" are missing. Mr Brandreth put it to Mrs Gallacher that this identical repeated error is more than coincidence and that Mrs Gallacher had, in fact, drafted the letters herself. She denied that this was so.

Lack of evidence of any activity in preparation following up the idea to produce LITTLE MIX charms

38) Mr Brandreth, put it to Mrs Gallacher that, other than the letters discussed above, there is no evidence that Mrs Gallacher had produced any kind of packaging, nor are there any invoices in respect to any preparations. Mrs Gallacher explained that they did not because they "did not have the brand name", adding "we would not mislead the public and come up with charms and say "official" until we get the trade mark and then we will go ahead". Mr Brandreth asked: "You plan to brand them as "official", do you?". Mrs Gallacher responded "absolutely".

39) Mr Brandreth concluded the cross examination by putting it to Mrs Gallacher that she has deliberately kept her evidence vague as possible and blamed others such as her husband and her solicitor who have not been introduced as witnesses in these proceedings. Once again, Mrs Gallacher strongly denied this.

DECISION

Section 3(6)

40) Section 3(6) of the Act reads as follows:

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

41) The guidance regarding the general principles of bad faith have been conveniently summarised by Arnold J in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch) Arnold J:

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

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

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

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

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

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there

are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

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

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

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

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

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

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

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

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P

and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48).”

42) In terms of the date at which the matter falls to be considered, the relevant date for consideration of a bad faith claim is the application filing date, namely 9 January 2012.

43) On the basis of the authorities referred to above, it is clear that a finding of bad faith may be made in circumstances which do not involve actual dishonesty. Furthermore, it is not necessary for me to reach a view on the applicant’s state of mind regarding the transaction if I am satisfied that their action in applying for the mark in the light of all the surrounding circumstances would have been considered contrary to normally accepted standards of honest conduct. Thus, in considering the actions of the applicant, the test is a combination of the subjective and objective. Furthermore, it is clear that bad faith in addition to dishonesty, may include business dealings which fall short of the standards of acceptable commercial behaviour i.e. unacceptable or reckless behaviour in a particular business context and on a particular set of facts.

44) The accusation is that the application was filed directly after the band LITTLE MIX appeared on the television programme *The X Factor* and was done so with the specific intention of trading off of the reputation of the band.

45) In support of this claim, the opponent’s case is that:

- Mr Gallacher’s husband contacted the opponent’s representative, Mr Farrington, with an offer of licensing the mark to opponent and that he had conceded that the application had been made to use the name of the band;
- Mrs Gallacher forged the letters from alleged business associates with whom the applicant had been in contact to support the applicant’s claim that it had come up with the name sometime before the application was made (and before LITTLE MIX had appeared on *The X Factor*);

46) Whilst Mrs Gallacher, on behalf of the applicant, denies all of the above, both her written evidence and her oral evidence given in cross examination are unconvincing. In respect to the offer of a licence, I am of the view that it is unlikely that, as she claimed, this was not discussed between her and her husband and that the making of such an offer was not agreed between them. To my mind, the most likely reason why Mr Farrington wrote to Mr Gallacher in the manner that he did was to respond to the offer made verbally by Mr Gallacher regarding the possibility of a licence arrangement. With this in mind, it becomes understandable why neither Mrs Gallacher nor her husband felt the need to refute the content of Mr Farrington’s letter. It is likely that they did not view the letter as being untruthful, but rather merely as a response to the offer put to the opponent and effectively closed the issue in their eyes. Consequently, when

weighing up the precise written evidence from Mr Farrington against the vague evidence and blanket denials of Mrs Gallacher, I prefer the opponent's version of events and that, in all probability, Mr Gallacher was acting on behalf of the applicant and he did offer to licence the mark. Whilst not conclusive in itself, it does point to the applicant trying to make gain from the opponent in trying to register the mark.

47) Secondly, the opponent has raised legitimate concerns regarding the three letters submitted by the applicant in support of its case. The misspelling of the word "madam" that appears in two of the letters and the odd and identical choice of words for signing off these two letters is sufficient to raise serious doubts regarding their probity. Further, the purported authors are identified in the letters as being in company roles that on the dates carried by these letters, they no longer occupied. This leads me to conclude that, in all likelihood, these letters are not genuine and have been provided to give the false impression that the applicant had had business dealings regarding the mark LITTLE MIX before the band of the same name featured on the *X Factor* television programme.

48) When the lack of a hand-written signature in Mr Feiner's letter is viewed in the light of my conclusions in respect of the other two letters, it raises serious doubts in my mind that this letter actually originated from its purported author.

49) In respect of the letter from Mr Shiri, in light of the doubts in my mind regarding the other two letters, it makes me inclined not to attach much weight to this. It is "hearsay evidence" because Mr Shiri is not a witness in the proceedings and consequently whether the letter is genuine or not cannot be tested by cross-examination. If it is genuine, there is no information regarding how Mrs Gallacher obtained it from Mr Shiri (other than she did so by e-mail not available to the tribunal). The first two paragraphs of the letter consist of corporate promotional statements that sit somewhat uncomfortably with the single sentence that follows. This sentence attests to Mrs Gallacher approaching Mr Shiri's company to produce a range of LITTLE MIX branded jewellery in "... the summer of 2011". I find it somewhat odd that Mr Shiri's recall regarding the time of this approach is equally and identically vague as Mrs Gallacher's recollection. There is no collaborative evidence from Mr Shiri such as a copy of the email enquiry from Mrs Gallacher. Taking all of this together, and in the context of the case, I conclude that, on its own, this letter is insufficient to support Mrs Gallacher's version of events.

50) In cross-examination, Mrs Gallacher explained that the Class 25 element of the application was only included on behalf of a friend at the market in which Mrs Gallacher operates her business. It was left unanswered why this friend would want to use the mark LITTLE MIX in respect of clothing when Mrs Gallacher has been at pains to point out that it would be used in respect to charm bracelets where the charms are both "little" and a "mix" of different types. When this is considered in the context of how merchandising in respect of bands will

commonly include items of clothing, the actions of Mrs Gallacher in respect of the letters from third parties and the actions of her husband in offering the opponent the opportunity to licence the mark all point in the same direction, namely that the application was made with the intention of benefitting from any success of the band LITTLE MIX.

51) In reaching this conclusion, I note that whether jewellery is used in band merchandising does not appear to be in issue. Mrs Gallacher, in her aural evidence, makes reference to the opponent's merchandising such as wrist bands and charm bracelets being sold at the retailer *Primark*. This comment appears to illustrate that Mrs Gallacher recognises that such goods are used by such bands as merchandising products.

52) Taking all of this together, the impression created is that the applicant did not choose the mark in early or Summer of 2011 but much closer to the filing date and in response to the band LITTLE MIX achieving success on the television programme *The X Factor*. This was done with the aim of making financial gain from the success of the opponent and that Mrs Gallacher attempted to conceal the true position by being intentionally vague regarding crucial issues and concocting letters to support these vague claims.

53) Having concluded this, I must ask whether the filing of the application amounts to an act of bad faith. The evidence in this case is certainly not consistent with good faith and points to the applicant filing the application with the sole purpose of benefitting from the success of the band LITTLE MIX on the *X Factor* television programme. To do so is not acceptable commercial behaviour. At the time the application was filed, the applicant was aware of the band LITTLE MIX and its efforts to illustrate that it had, in fact, come up with the name the year before is not credible in light of the flaws in the evidence. **Having regard for all of this, I conclude that the application was made in bad faith.**

54) In light of my findings above it is not necessary to consider the other grounds of opposition in any detail. However, in case I am wrong in my findings on bad faith, I will comment briefly on the ground based upon Section 5(2)(a) of the Act.

Section 5(2)(a)

55) Section 5(2)(a) reads:

“(2) A trade mark shall not be registered if because –

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

(b) ...,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

56) Clearly, the marks are identical so the only issue that may influence the outcome of the opposition based upon this ground is whether the respective goods and services are similar.

57) In assessing the similarity of goods, it is necessary to apply the approach advocated by case law and all relevant factors relating to the respective goods and services should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at paragraph 23:

‘In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.’

58) Other factors may also be taken into account such as, for example, the distribution channels of the goods concerned (see, for example, *British Sugar Plc v James Robertson & Sons Limited (TREAT)* [1996] RPC 281).

59) Finally, in terms of understanding what a "complementary" relationship consists of, I note the judgment of the GC in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-325/06 where it was stated:

"It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Segio Rossi v OHIM - Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM - Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Ingles v OHIM - Bolanos Sabri (PiraNAN diseno original Juan Bolanos)* [2007] ECR I-0000, paragraph 48)."

60) The opponent's case is that the clothing (listed in its Class 25 specification of goods) are similar to the applicant's jewellery. It is common knowledge that clothing fashion designers often extend their ranges to fashion accessories including jewellery. Where this occurs, the consumer is likely to perceive that the respective goods originate from the same or linked business undertaking. Therefore, there is some similarity in respect of trade channels. Further, both

clothing and jewellery complement each other in that they are often chosen to aesthetically combine with each other to create a complete fashion outfit. In this respect, at least, there is a shared intended purpose. Consequently, I conclude that these respective goods share similarity with each other.

61) Taking account of the nature of the goods, it is clear that the consumers of the respective goods may be the same. Taking this into account, together with the reasonable level of distinctive character that resides in the opponent's mark and the fact that the marks are identical, **I conclude that there is a clear likelihood of confusion.**

Section 5(3)

62) As the opponent has been wholly successful with its grounds of opposition based upon Section 3(6) and Section 5(2)(a), I do not find it necessary to make a finding on the grounds based upon Section 5(3) also.

COSTS

63) The opposition having been successful, the opponent is entitled to a contribution towards its costs. At the hearing, Mr Brandreth, on behalf of the opponent, requested that if its claim was made out that the third parties' letters submitted on behalf of the applicant were fabricated then the opponent should be allowed to request actual costs in respect to the hearing. I do not think that such an approach is appropriate because it is likely that a hearing would have taken place regardless of the issue of probity of the letters in question. That said, I agree that some additional costs are appropriate to take account of the additional work involved in preparing for the cross examination to test this point. However, it is my view that such additional costs can be met within the published scale. Accordingly, I award costs on the following basis:

Notice of Opposition & considering statement of case in reply	£300
Preparing and filing evidence & considering other side's evidence	£600
Preparing for, & attending hearing (including preparation for cross examination)	£1300
TOTAL	£2200

64) I order SGI Jewellery Ltd to pay SIMCO Limited the sum of £2200. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 21st day of November 2013

**Mark Bryant
For the Registrar,
the Comptroller-General**

REDACTED