TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 2648648
BY LUKE REINER T/A BRYMEC
TO REGISTER THE TRADE MARK

DuraFoot

AND THE OPPOSITION THERETO UNDER NO. 400533
BY SINOPS LIMITED

AND

IN THE MATTER OF APPLICATION NO. 3005902
BY SINOPS LIMITED
TO REGISTER THE TRADE MARK

DURAFOOT

AND THE OPPOSITION THERETO UNDER NO. 400951
BY LUKE REINER T/A BRYMEC

Background and the pleadings

1. These proceedings concern two trade mark applications by two different applicants, each of which has opposed the other's application. The earlier of the two applications was filed on 18 January 2013, by Luke Reiner t/a Brymec ("Brymec") for the mark DuraFoot in class 6 for the following goods:

> *Arch frames (metal-) for use in construction; articles of metal for use in constructing house frames; box frames of metal; external door frames of metal; extrusions of metal for the fabrication of frames for doors; extrusions of metal for the fabrication of frames for glazing fixtures; fixed frames of metal; flashing frames of metal; frames of metal; frames of metal for buildings; frames of metal for construction work; frames of metal for containers; frames of metal for curtain wall facades; frames of metal for doors; frames of metal for pallets; frames of metal for structures; frames of metal for use with partitions; frames of metal for wall cladding; horticultural frames [racks] of metal, for supporting trays; horticultural frames [structures] of metal; manhole frames of metal; metal components for use in the construction of door frames; metal frames; metal frames for air pipes; metal frames for water pipes; metal frames of extruded shapes; metal frames of rolled shapes; metal frames of stamped shapes; metallic frames for buildings; metallic frames for civil engineering construction; printing frames of metal; ready made door frames made of metal; security door frames of metal for buildings; shelving frames of metal [other than furniture]; sign frames of metal; skylight frames (metal-) for use in buildings; space frames of metal; storage frames [structures] of metal; structural frames of metal for building; structural modular assemblies of metal for space frames; sub-frames of metal all included in Class 6; cable trays, and pipework of metal included in Class 6; parts and fittings therefore included in Class 6; all for use in relation to air conditioning, mechanical, electrical and ventilation equipment; supports to spread the weight on flat roofs.*

2. The second application was filed some four months later on 14 May 2013 by Sinops Limited ("Sinops"), for the mark DURAFOOT in class 19 for the following goods:

> *Non-metallic building materials; non-metallic support systems for building services.*

3. Sinops opposes Brymec's earlier mark under section 3(6), that it was filed in bad faith because Brymec was aware of Sinops' use and that Brymec had no intention to use the mark when it was filed. Sinops also opposes Brymec's application under section 5(4)(a) of the Trade Marks Act 1994 ("the Act"), on the basis that use of Brymec's mark is liable to be prevented under the law of passing off because Sinops has been using the sign since October 2012 on "support systems for building services". Brymec opposes Sinops' application under section 3(6), on the basis that it was filed to interfere with Brymec's rights and, additionally, under section 5(2)(a), relying on its earlier trade mark application to claim a likelihood of confusion. Brymec denies the section 3(6) and 5(4)(a) grounds brought against it: it states it has been using the mark since at least July 2012. Sinops denies the section 3(6) ground and, whilst admitting the section 5(2)(a) ground, claims that as Brymec's mark is the

subject of its own opposition, there is no basis for the section 5(2)(a) ground as Brymec's mark should be refused.

4. The two oppositions were consolidated. Both sides are represented by trade mark attorneys, and both filed evidence and written submissions in lieu of a hearing, choosing to have a decision made from the papers instead of after a hearing. I have taken all the papers filed into consideration in making this decision, including the further submissions filed by Brymec which were filed after Sinops had seen Brymec's submissions in lieu. Owing to an irregularity in procedure at the Trade Marks Registry, Sinops did not get the letter from the Registry inviting it to file submissions (if it did not wish to be heard). The consequence of this was the Sinops saw Brymec's submissions several weeks before Sinops filed its own submissions. Brymec asked to file further submissions in reply to Sinops' submissions, a request which was granted.

Sinops' evidence

5. Sinops' evidence is given by Richard Dunn, who is Sinops' Managing Director, a position he has held for seventeen years. His statement comes from his own knowledge and from Sinops' records. Mr Dunn states that Sinops first produced and sold goods under the DURAFOOT brand in September 2012. He exhibits at RD1 some invoices to a customer called Walraven Limited, the earliest of which is dated 25 September 2012. This invoice shows that 400 items with the description "Durafoot FX-400 Low Type with Channel Insert" were sold at a net cost of £2400. Further invoices to Walraven Limited are as follows:

- An invoice dated 24 October 2012 for 12 units of "Durafoot FX250 Low Type With Channel Insert", net cost £57.48.

- An invoice dated 29 October 2012 for 500 "Durafoot FX400 Low Type With Channel Insert", net cost £3000.

- An invoice dated 7 November 2012 for 177 "Durafoot FX250 Low Type Plain", net cost £715.08.

6. Exhibit RD2 shows a schedule of distributor sales, up until 17 January 2013. These sales were exclusively for DURAFOOT products. A further set of figures for contractor sales is shown, but these are of little value as they are not all for DURAFOOT goods and there is no indication as to what proportion of the sales figures relates to DURAFOOT sales. In relation to the distributor sales of DURAFOOT goods, the figures are:

DURAFOOT SALES VALUE BY CUSTOMER

September 2012 - January 2013

Date	Order	Customer	Sales Value Excl VAT EUR	Sales Value Excl VAT GBP
Distributor Sales, Durafoot Products Only				
20/09/2012	4721	Walraven		£2,400.00
23/10/2012	4841	Walraven		£3,000.00
23/10/2012	4844	Walraven		£57.48
01/11/2012	4889	Walraven		£715.08
16/11/2012	5023	All Air Systems	€ 1,118.78	£924.61
05/12/2012	5174	Walraven		£1,010.00
05/12/2012	5175	All Air Systems	€ 1,666.42	£1,377.21
08/01/2013	94942	All Air Systems	€ 2,977.66	£2,460.87
15/01/2013	94956	All Air Systems	€ 1,315.60	£1,087.27
17/01/2013	94975	Walraven		£1,500.00
30/01/2013	95046	MSS Building	€ 6,203.38	£5,126.76
Total			€ 13,281.84	£19,659.28

Exhibit RB3 shows that All Air Systems are in Belgium, and MSS Building is in Dublin.

7. Mr Dunn provides a list of customers in exhibit RD3. This exhibit is confidential but is of limited assistance. This is because it is a list of 2013 customers; the only part of 2013 which is relevant in these proceedings is the very short period up until the date on which Brymec's application was filed, 18 January 2013. Similarly, Mr Dunn's statement that, from September 2012 to October 2013, Sinops sold £101,475.70 worth of DURAFOOT goods is of limited value (although some of those sales were undoubtedly sold prior to 18 January 2013, as the evidence already summarised shows).

8. Mr Dunn states that advertising was undertaken by direct email and promotional visits to a number of customers. Exhibit RD4 is a copy of a draft press release which Mr Dunn states was ultimately issued in October 2012. He states that the press release was issued to 165 priority target accounts and, subsequently, to a further 280 potential customers. The list of recipients, including Brymec, is shown in exhibit RD5. The draft press release is dated 22 October 2012 and is reproduced below:

Draft press release 22/10/12*

SINOPS DISTRIBUTION (DURASPAN) LAUNCHES DURAFOOT - AN INNOVATIVE NEW RANGE OF FOOT SUPPORTS MADE FROM RECYCLED RUBBER

Sinops Distribution/Duraspan has launched a brand new foot product to its range of support systems for flat roof plant installations. The new **Durafoot** range offers robust support for H frame assembly platforms and solar panel frames. The feet are available both as a standard product, or as a 25kg weighted option, with additional 25kg ballast weights available if required. For installations requiring further ballast, our range of Flexifoot products, complete with or without steel channels offers the perfect solution.

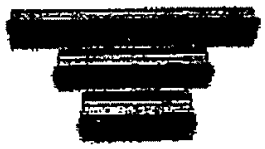
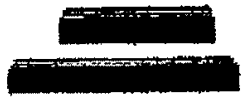
The new Sinops (Duraspan) recycled SBR rubber moulding facility based in the United Kingdom has 20 years experience in the moulding industry. Our own bespoke tool and mould making workshop house a selection of hydraulic rubber moulding presses in various sizes, enabling us to produce items of all shapes and sizes, up to a maximum size of 2m x 1.2m.

We have been producing various rubber-moulded products of all shapes and sizes for the solar panel and air conditioning industries for the last 10 years. We also offer a full range of simple vibration strips and pads, roof walkway tiles in various thicknesses, handrails and walkway feet.

With our own on-site bespoke tool and mould-making facility, we are able to produce a vast range of items to our customers' specific requirements. We are also able to offer own-branding and colour-coding as appropriate.

9. Exhibit RD6 comprises a price list for DURAFOOT products, dating from November 2012:

Durafoot UK Distributor Price list Nov 2012

Product	Discription	Qty per pallet	Dist price	RRP
Square foot with 41mmx 41mm insert				
	Durafoot 360	100	£8.85	£12.60
	Durafoot 360 @ 2.5°	tbc	£12.21	£18.00
	Durafoot 360 @ 5°	tbc	£12.48	£18.00
	Durafoot 500	60	£15.59	£25.00
	Durafoot 500 @ 2.5°	tbc	£22.34	£35.00
	Durafoot 500@ 5°	tbc	£23.01	£35.00
Standard FX Fix it foot range				
	Durafoot FX 250 Plain	400	£4.57	£9.00
	Durafoot FX 250 + Steel Channel	400	£5.33	£9.50
	Durafoot FX 400 Plain	240	£6.14	£11.50
	Durafoot FX 400 + Steel Channel	240	£7.22	£12.00
	Durafoot FX 500 Plain (NEW)	260	£7.27	£12.50
	Durafoot FX 500 + Steel Channel (NEW)	260	£8.58	£13.00
	Durafoot FX 600 Plain	130	£7.88	£13.50
	Durafoot FX 600 + Steel Channel	130	£9.51	£14.00
	Durafoot FX 1m	100	£17.48	£28.00
Low Profile Fix it foot range				
	Durafoot FX 250 Low Plain	800	£4.03	£8.00
	Durafoot FX 250 Low + Steel Channel	800	£4.79	£8.50
	Durafoot FX 400 Low Plain	500	£4.99	£10.30
	Durafoot FX 400 Low + Steel Channel	500	£6.07	£10.80
Walkway tiles and anti vibration strips				
	Vibro Strip 1m x 75mm x 15mm	360	£3.43	£6.10
	Large Vibro Mat 1m x 500mm x 30mm	30	£17.01	£24.00
	Small Vibro Mat 600mm x 150mm x 30mm	180	£6.21	£9.80
	Walk Way Vibration Tile 500mm x 500mm x 45mm	120	£7.56	£10.10
Ladder anchor				
	Ladder Anchor	80	£23.82	£29.99

10. Exhibit RD7 comprises an email dated 29 October 2012, attaching drawings of DURAFOOT products. The email is from a Sarah Hughes to a Gavin Wright, and the attachment is entitled “Rob Jackson Durafoot.docx”. The email says “Hi Gavin, Rob has sent me these drawings in case they are of any use?! Sarah”. The context, and the identities of the sender and recipient are not explained. The attached drawings of profiles and sections of the goods are all labelled with the word DURAFOOT, plus model numbers.

11. Exhibit RD8 is a copy of an email promoting the DURAFOOT product, dated 20 November 2012. It is from Sarah Hughes to Rob Jackson and Richard Dunn, and says “What Darren is suggesting for the next Durafoot mailshot.” Ms Hughes has forwarded a mailshot which was sent to her by ‘Darren@sinops.co.uk’. The mailshot advertises the ‘new Durafoot support feet’.

12. Exhibit RD9 is an extract from Sinops’ website dated 21 November 2012. The quality of the reproduction is poor, but it is possible to make out the word ‘Durafoot’, under the heading Roof Support Systems.

13. Exhibits RD10 and RD11 point to the current website, not as it was on or before 18 January 2013, although I note the technical specifications insofar as they assist in understanding the goods.

14. Exhibit RD12 is a copy of a letter which Mr Dunn received from Brymec's trade mark attorneys, dated 14 February 2013. It is headed "Without Prejudice Save As To Costs", but is simply a cease and desist letter, rather than the opening of negotiations. Brymec has not objected to the filing of this exhibit. This letter was sent a month after Brymec filed its application. It asks Sinops to stop using DURAFOOT on account of it being too similar to Brymec's DURAFRAME mark. Mr Dunn states that the letter does not make any mention of the application to register DURAFOOT, nor any mention of use of DURAFOOT. Although the letter refers to Sinops using the mark, as this is a month after the relevant date I cannot draw from it that Brymec accepts that Sinops had used its mark or had a protectable goodwill at the relevant date.

Brymec's evidence

15. Brymec's evidence is given by Luke Reiner, who is a director at Brymec. He states that the facts in his statement come from his own knowledge and the records of his company.

16. Mr Reiner states that Brymec has been using the mark DURAFOOT since at least July 2012 in relation to mounting feet for use as a part of heavy duty structures. Having said that the mark has been used since at least July 2012, it is confusing that the sales figures commence in 2011. This is not explained. The figures are:

Year	**Sales Figures (£)**
2011	487.43
2012	35,213.78
2013	17,438.66
2014	0
Total	53,139.87

17. Mr Reiner provides a selection of invoices from 2012 in exhibit LR1. He states that they detail sales of Brymec's DURAFRAME product "which also include sales of the products bearing the Mark, since they are intrinsically linked to the DURAFRAME product". I reproduce below the earliest invoice (customer names have been redacted by Brymec) which makes any mention of DURAFOOT, dated 27 November 2012. Mr Reiner states:

> "To clarify, the "site details" entry on my Company's invoices refers to the Mark, since it is part of the overall system which we describe on our invoices as "Heavy Duty Equipment Support Framework System."

DuraFrame®

10 Imperial Way
Croydon
Surrey
CR0 4RR
Tel: 0845 521 0022
Fax: 0845 521 0033
info@duraframe.co

quotation

Customer:
Project:

Date: 27/11/2012
Ref:

Thank you for your recent enquiry, please find our quotation for materials only which is valid for 30 days. Should you require any additional information please call on 0845 521 0022 or email us at info@duraframe.co
We look forward to hearing from you soon

description

Heavy Duty Equipment Support Framework System

Equipment details:

Unit 7 - 9	Make/Model unkown 1 x 1240mm x 765mm x 1710mm(h) unit weight 324kg 1 x 930mm x 765mm x 1710mm(h) unit weight 240kg 1 x 930mm x 765mm x 1710mm(h) unit weight 226kg
Duraframe solution:	**Bespoke Framework: 3500mm x 1100mm frame size** **8No. 350mm Duraframe Feet** **Extra-long Side Bar to span 1530mm Rooflight** **Total foot pressure of loaded system: 9.0kNm²**
Site Details:	**None specified – assumed wind sheltered location** **Site conditions and equipment mounting methods to be agreed prior to order. Note: The DuraFoot mounting feet do not come with anti-vibration mats as standard**
Delivery:	**Carriage paid**
Production time:	**TBC – approx.: 5-7days**

price

£809.09 + VAT

terms

This Duraframe quotation has been prepared for the particular site address stated and does not apply to any other location. All sizes, weights, loadings etc. have been calculated from information supplied – whether from drawings, sketches or verbal descriptions. Where information has not been specific, assumptions may have been made and it is the responsibility of the customer to thoroughly check all measurements, loadings, calculations etc. and consult a suitably qualified structural engineer to confirm the suitability of the roof structure and any other relevant factors such as wind/snow loadings, building location/height etc. All finished sizes are subject to manufacturing tolerances. Delivery times stated are approximate due to manufacturing processes and should be confirmed with Duraframe at time of order. It is the responsibility of the customer to ensure suitable access for delivery, offload the goods from the delivery vehicle and make arrangement for any mechanical handling required – excessive waiting time may be charged for. All Duraframe installations should be carried out by competent and suitable qualified persons and all in accordance with any relevant regulations in force. Delivery 10-15 working days from receipt of order. Full terms and conditions are available on request.

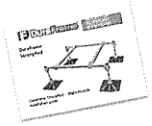
18. Apart from the mention of 'DuraFoot' under "site details", which is common to several of the invoices, the mark DURAFOOT/DuraFoot does not appear on any invoices. Others simply refer to DURAFRAME (the earliest of these is dated 30 July 2012). The price of a DuraFrame system appears to be about £460.

19. Again, somewhat confusingly having on the one hand said that Brymec has been using the mark DURAFOOT since at least July 2012, but that there were sales in 2011, Mr Reiner states at paragraph 6 of his witness statement that "the "feet" which are used in conjunction with the [DURAFRAME] frames have been branded DURAFOOT since 2009."

20. Mr Reiner states that the DURAFRAME product has been developed since 2007; DURAFRAME is used on metal structures and frames to support such structures." Exhibit LR3 is a copy of Brymec's parts list which it distributes to its customers:

DuraFrame® ROOFTOP SUPPORT SYSTEMS

DuraFrame DF2001 Single Module StrongPod – Parts List

	**4 x DuraFoot** **4 x Metal Leg Assembly**	Ensure Leg assembly has 2No. M10 x 25 bolts and plastic cap fitted to top
	**2 x 1100mm Side DuraBars**	
	**2 x 1200mm Cross DuraBars**	Ensure Cross bars have 2No. M10 x 20 bolts to ends
Image not available yet	**4No. Equipment clamp sets**	Ensure equipment clamps sets are complete – should contain: 1No. metal 'T' plate 1No. Galv. 'U' bolt c/w 2 HDG nuts
	**1No. DuraFrame Installation Instructions**	

21. Mr Reiner states:

> "The resulting product range was tested and supplied to the market in 2011/2012. The overall DURAFRAME product, from this date, is known as a combination of DURAFOOT, which relates to the feet of the frames, and DURABAR, being the crossbars used in the frames."

22. Mr Reiner states that exhibit LR2 contains a selection of advertisements which make reference to the mark. There are only two pages in this exhibit. The first is undated. It refers to the DuraFrame 'goal post support' and to the "new design universal Durafoot has large base for increased bearing surface." The second sheet has a date at the bottom of July 12. It refers to Durafoot Universal Support Feet as being part of the Duraframe goal post support pack. I note that the technical specification on the advertisement says that the foot material is recycled plastic.

23. Mr Reiner states that when Brymec was informed about Sinops' application to register DURAFOOT, Brymec stopped promoting its DURAFOOT range in order to ensure customers would not be confused by the two trade marks. He states that Brymec had aspired to develop its business under the DURAFRAME and DURAFOOT brands, and exhibits a copy of a business plan from April 2012 (exhibit LR4). The business plan mentions DURAFRAME, but not DURAFOOT.

24. Mr Reiner refers to contact between a Brymec director, Glen Reiner, and Richard Dunn (of Sinops) in February 2013, whereby he states that Brymec alerted Sinops to its interest in the mark DURAFOOT (it had applied for the mark on 18 January 2013). A copy of an email is exhibited at LR5, dated 12 February 2013. Mr Reiner takes the position that Sinops' subsequent filing of its application on 14 May 2013 was, therefore, an act of bad faith. The email does not show contact with Mr Dunn, or that the trade mark DURAFOOT was referred to (which would match the lack of reference to DURAFOOT in the cease and desist letter sent two days later, referred to in paragraph 14, above). The exhibit shows two very brief exchanges within Brymec between Glen Reiner and Luke Reiner: Luke said this to Glen:

> "Please see attached draft letter to Sinops [the letter is not shown in the exhibit]. Do you want to speak to Richard Dunn first?"

Glen replied to Luke:

> "Would like to talk to Richard first – just one question – when did we register Duraframe?"

Decision

25. The parties' section 5(4)(a) and 3(6) grounds are closely tied together. Brymec says it had been using the mark since July 2012, which it states was prior to Sinops' use, commencing October 2012, so therefore Brymec's application was not made in bad faith. It claims that Sinops knew of its application when Sinops filed its own application in May 2013, so Sinops applied in bad faith. Sinops claims that Brymec knew of Sinops' use when it filed its application in January 2013, which means that Brymec's application was filed in bad faith. Sinops also denies that Brymec has used the mark since July 2012, which means that Sinops claims it should win under section 5(4)(a) as the senior user. I will start with Sinops' 5(4)(a) claim.

26. 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."

27. 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."

28. 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."

29. The date of Brymec's application is the relevant date in relation to section 5(4)(a) (there is no section 5(4)(a) ground against Sinops' mark). However, where an 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. If the applicant was not passing off when it commenced trading under the sign, a continuation of the same trade under the same sign will not amount to passing off at the relevant date. In *Advanced Perimeter Systems Limited v Multisys Computers Limited,* BL O/410/11, Mr Daniel Alexander QC, sitting as the Appointed Person, considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

"39. In *Last Minute*, the General Court....said:

> '50. First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes* v *Pub Squash* (1981) R.P.C. 429).
>
> 51. However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.'

40. Paragraph 51 of that judgment and the context in which the decision was made on the facts could therefore be interpreted as saying that events prior to the filing date were irrelevant to whether, at that date, the use of the mark applied for was liable to be prevented for the purpose of Article 8(4) of the CTM Regulation. Indeed, in a recent case before the Registrar, *J Sainsbury plc v. Active: 4Life Ltd* O-393-10 [2011] ETMR 36 it was argued that *Last Minute* had effected a fundamental change in the approach required before the Registrar to the date for assessment in a s.5(4)(a) case. In my view, that would be to read too much into paragraph [51] of *Last Minute* and neither party has advanced that radical argument in this case. If the General Court had meant to say that the relevant authority should take no account of well-established principles of English law in deciding whether use of a mark could be prevented at the application date, it would have said so in clear terms. It is unlikely that this is what the General Court can have meant in the light of its observation a few paragraphs earlier at [49] that account had to be taken of national case law and judicial authorities. In my judgment, the better interpretation of *Last Minute*, is that the General Court was doing no more than emphasising that, in an Article 8(4) case, the *prima facie* date for determination of the opponent's goodwill was the date of the application. Thus interpreted, the approach of the General Court is no different from that of Floyd J in *Minimax*. However, given the consensus between the parties in this case, which I believe to be correct, that a date prior to the application date is relevant, it is not necessary to express a concluded view on that issue here.

41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom's TM* [2005] RPC 2 at [46] (omitting case references):

> (a) The right to protection conferred upon senior users at common law;
> (b) The common law rule that the legitimacy of the junior user's mark in issue must normally be determined as of the date of its inception;
> (c) The potential for co-existence to be permitted in accordance with equitable principles.

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Ltd* [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: "date of commencement of the conduct complained of". If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

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.' "

30. In *W.S. Foster & Son Limited v Brooks Brothers UK Limited,* [2013] EWPCC 18 (PCC), Iain Purvis Q.C. sitting as a Deputy Judge set out the following test for whether honest concurrent use provides a defence in a passing off action:

> "61. The authorities therefore seem to me to establish that a defence of honest concurrent use in a passing off action requires at least the following conditions to be satisfied:
>
> (i) the first use of the sign complained of in the United Kingdom by the Defendant or his predecessor in title must have been entirely legitimate (not itself an act of passing off);
>
> (ii) by the time of the acts alleged to amount to passing off, the Defendant or his predecessor in title must have made sufficient use of the sign complained of to establish a protectable goodwill of his own;
>
> (iii) the acts alleged to amount to passing off must not be materially different from the way in which the Defendant had previously carried on business when the sign was originally and legitimately used, the test for materiality being that the difference will significantly increase the likelihood of deception."

31. In this case, Brymec has claimed it has used its mark since at least July 2012, which is three months before Sinops claimed that it commenced use. It could be established that the Brymec was the senior user. This would mean that the use of Brymec's mark would not be liable to be prevented by the law of passing-off. This

will all be moot, however, if Sinops cannot establish that it had a protectable goodwill as of 18 January 2013, the date on which Brymec applied for its mark.

Sinops' goodwill

32. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margerine Ltd* [1901] AC 217 at 223:

> "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."

33. Whether the opponent has the requisite goodwill has to be deduced from the evidence which it has filed. In *Reef Trade Mark* [2002] RPC 19, Pumfrey J said:

> "There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see Smith Hayden & Co. Ltd's Application (OVAX) (1946) 63 R.P.C. 97 as qualified by BALI Trade Mark [1969] R.P.C. 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on."
>
> and
>
> "Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur."

34. In *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat), Floyd J, building upon Pumfrey J's observations, said:

> "8 Those observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of

> the relevant date, which is, at least in the first instance, the date of application."

35. Brymec submits that the period of sales shown in Sinops' evidence, between September 2012 and January 2013, is too short to substantiate that Sinops enjoyed goodwill in its sign as of 18 January 2013. It dismisses Sinops' marketing efforts as being insufficient to show that customers were attracted to buying Sinops' DURAFOOT products.

36. Sinops submits that it has demonstrated goodwill prior to 18 January 2013 and that a small trader with limited clientele is as much entitled to protect his brand and business names as any large concern[1]. Sinops says that it is a small entity which operates in a very defined and narrow field of activity. It is a relatively small niche industry, so the contact which it made with 445 potential customers with its press release in October 2012 is a relatively high number.

37. Trivial goodwill is not protectable under the law of passing off, as per the judgment in *Hart v Relentless Records* [2003] FSR 36, in which Jacob J. 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."

38. A small amount of goodwill, as long as it is not trivial, can be evidence of an attractive force which brings in custom. In *Stacey v 2020 Communications* [1991] FSR 49, Millett J. stated that:

> "There is also evidence that Mr. Stacey has an established reputation, although it may be on a small scale, in the name, and that that reputation preceded that of the defendant. There is, therefore, a serious question to be tried, and I have to dispose of this motion on the basis of the balance of convenience."

39. As for length of trading activity, in *Stannard v Reay*[2], a case involving a fish and chip van on the Isle of Wight, the Court held that the claimant's trade of just three

[1] *Chelsea Man Menswear Limited v Chelsea Girl Limited* [1985] FSR 567, upheld on appeal [1987] RPC 189.
[2] [1967] FSR 140.

weeks was sufficient to grant it an injunction as it had established sufficient goodwill in that short period of time.

40. Consequently, Brymec's submission that "to demonstrate goodwill the relevant party must demonstrate extensive levels of sales and promotional activity to show that customers are attracted to their goods and services" is wrong in law. The law will protect a small goodwill (but not a trivial goodwill).

41. Sinops' evidence includes four invoices to Walraven Limited, the earliest of which is dated 25 September 2012. There is clear mention on all of the invoices of items called 'DURAFOOT'. The invoices show that 1089 units at a total net cost of £6172.56 were sold to Walraven Limited on the four occasions represented by these invoices. This was a new product, or at least a product with DURAFOOT as a new name. Unit prices were not high: the invoice figures are corroborated by the price list in November 2012, showing the goods as costing a few pounds each. Promotional activity was undertaken in October 2012, as evidenced by the press release which was sent out to 445 potential customers, including Brymec. Although it might not be enough of itself to establish goodwill, when taken with the sales, the promotional activity helped to build goodwill under the mark and attract future customers. The email from Sarah Hughes to Rob Jackson and Richard Dunn, sent on 20 November 2012, refers to ideas for the 'next Durafoot mailshot'. This suggests that there had already been one mailshot, at least. These mailshots are dated around the time of the Walraven Limited invoices and the sales on the distributor list. Although the time period involved is short, and the sales figures are small, as Sinops says, a small trader is as entitled to protect its goodwill as a large concern. This a niche trade – plastic feet for metal rooftop installations – and the number of customers reached by Sinops during those early weeks, when regular sales took place to Walraven Limited and others, is enough to satisfy me that, by 18 January 2013, Sinops had a small, but protectable, goodwill in the market for this type of support feet, in relation to its sign DURAFOOT.

42. The question now is whether Brymec's evidence can 'trump' that goodwill by proving that Brymec had goodwill prior to October 2012. The earliest invoice in Brymec's evidence which makes any mention of DURAFOOT is dated 27 November 2010, two months after Sinops' earliest invoices. The sales are for DURAFRAME systems. There is mention of Duraframe Feet. Where DURAFOOT appears on the invoices, it says "Site details: Site conditions and equipment mounting methods to be agreed prior to order. Note: The DuraFoot mounting feet do not come with anti-vibration mats as standard". DuraFoot products are not listed on the invoices. This tallies with Mr Reiner's statement that DuraFoot goods are part of the overall system which is described on invoices as "Heavy Duty Equipment Support Framework System".

43. Use must relate to the use of the sign for the purposes of distinguishing goods or services. Goodwill is the attractive force which brings in custom. If the sign is not customer-facing, it will not be able to distinguish goods or services and will not become an attractive force which brings in custom. Brymec's evidence strongly suggests that it is their mark DURAFRAME which is the attractive force which brings in custom. DURAFRAME is the sign customers rely upon to choose the goods. It does not appear that there is goodwill in DURAFOOT for the any of the goods

applied for in class 6. Apart from the invoices, the other factors which reinforce my view are:

- There is a confused picture given by Mr Reiner as to when DURAFOOT was first used: 2009 (not substantiated), 2011 (not substantiated) or 2012.

- Only £487.43 of DURAFRAME system sales took place in 2011; if DURAFOOT parts were a component of the system, this represents a single sale (the invoices show this to be roughly the price per Duraframe unit).

- There is no information as to whom, or when, the advertisement was sent, or where it was placed.

- The April 2012 business plan is all about DURAFRAME. There is not a single reference to DURAFOOT. Further, the plan is dated in 2012, although Mr Reiner states that sales took place in 2011 (but only £487.43 worth). It seems unlikely that sales which would generate goodwill would take place prior to the business plan for the goods to be sold.

- The cease and desist letter does not mention DURAFOOT. This tallies with the email, dated two days before the letter, in which Glen Reiner asks Luke Reiner when they (Brymec) registered DURAFRAME; there is no reference to DURAFOOT. One would have thought that there would be more concern about the identical mark, rather than DURAFRAME, if DURAFOOT was a mark with a protectable goodwill.

44. In some circumstances, the use of an additional sign may contribute to the fabric of goodwill; e.g. a sub-brand used alongside the main mark. Brymec's main mark is DURAFRAME. The evidence as a whole is weak, and in relation to DURAFOOT is even weaker. DURAFOOT does not fall into this additional brand scenario: it is non-existent, on the evidence. My conclusion is that Brymec is not entitled to claim the place of senior user. It did not have a protectable goodwill in support feet prior to Sinops' first use in October 2012 (actually 25 September 2012).

Misrepresentation

45. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, 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."

46. The relevant section of the public is Sinops' customers and potential customers.

47. Brymec's application is identical to Sinops' sign. Brymec's application is for building/construction-related goods in class 6, which means that they are made of metal. The goods in relation to which Sinops' has goodwill in the sign DURAFOOT are non-metallic feet for supporting metal structures (the evidence shows that they are made of rubber). Sinops submits:

> "The product for which Sinops use the mark may conceivably be used in conjunction with products of the type produced by Brymec and should Brymec commence use of the mark it is clear that the public will be deceived into believing that Brymec are supplying the products of Sinops for use in conjunction with their, or others' metal structures."

Sinops' evidence (exhibit RD10) shows how the feet are used (with my underlining):

> "Typical Application. The New Durafoot FX Extra High range from Duraspan [a trading name of Sinops] has been designed to support your Air Conditioning and Heat Recovery units, at least 150mm off the deck, without the need for installing a full framework solution".

> "Typical Application. The Durafoot FX range offers a practical and versatile system for supporting services for all flat roof plant installations. Pipework or cable tray can be securely fixed to the Durafoot FX, using standard strut fixings compatible with the 40mm x 20mm Pre-Galvanised strut, which is recessed into the top surface."

> "Typical Application. The Durafoot range offers the ideal solution for supporting services for all flat roof installations such as air conditioning equipment and plant rooms. Frameworks can be fabricated on site, either using your own strut, or, if you prefer, we can supply strut to suit your requirements. The Durafoot can be supplied with either a 41mm x 41mm or 50mm x 50mm opening allowing you to insert either strut or steel box section."

Although this evidence is dated after the relevant date, there is no reason to suppose that the product was not used in this way prior to the relevant date (especially since from the date of first use to the relevant date is a period of three to four months).

48. Brymec's specification is, with my underlining:

> *Arch frames (metal-) for use in construction; articles of metal for use in constructing house frames; box frames of metal; external door frames of metal; extrusions of metal for the fabrication of frames for doors; extrusions of metal for the fabrication of frames for glazing fixtures; fixed frames of metal; flashing frames of metal; frames of metal; frames of metal for buildings; frames of metal for construction work; frames of metal for containers; frames of metal for curtain wall facades; frames of metal for doors; frames of metal*

for pallets; frames of metal for structures; frames of metal for use with partitions; frames of metal for wall cladding; horticultural frames [racks] of metal, for supporting trays; horticultural frames [structures] of metal; manhole frames of metal; metal components for use in the construction of door frames; metal frames; metal frames for air pipes; metal frames for water pipes; metal frames of extruded shapes; metal frames of rolled shapes; metal frames of stamped shapes; metallic frames for buildings; metallic frames for civil engineering construction; printing frames of metal; ready made door frames made of metal; security door frames of metal for buildings; shelving frames of metal [other than furniture]; sign frames of metal; skylight frames (metal-) for use in buildings; space frames of metal; storage frames [structures] of metal; structural frames of metal for building; structural modular assemblies of metal for space frames; sub-frames of metal all included in Class 6; cable trays, and pipework of metal included in Class 6; parts and fittings therefore included in Class 6; all for use in relation to air conditioning, mechanical, electrical and ventilation equipment; supports to spread the weight on flat roofs.

49. "All for use in relation to air conditioning mechanical, electrical and ventilation equipment;" comes almost at the end of the specification, and so qualifies all the goods which precede it. This the same trade field in which Sinops operates: the parts I have underlined in paragraph 47 refer to air conditioning applications, galvanised (i.e. metal) struts, fabrication (i.e. metal fabrication) and the insertion into Sinops' feet of the customers metal struts or steel box sections. These are complementary goods. Supports to spread the weight on flat roofs, albeit they would have to be metal, are the metal equivalent of the goods which Sinops has been selling since October 2012 under the sign DURAFOOT. Even without the qualification, both parties operate in the construction trade. Given that the marks are identical, a substantial number of the relevant public are likely to believe that Brymec's goods are those of Sinops. Use by Brymec, at the relevant date (18 January 2013) in relation to the goods of its application, would have constituted a misrepresentation.

50. The misrepresentation was liable to damage Sinops' goodwill. The parties are in the same field of trade, so there is the obvious kind of damage caused by Brymec obtaining sales to the detriment of Sinops. But damage can go further than diversion of sales, as per *Ewing v Buttercup Margarine Company Limited* [1917] 2 Ch. 1 (COA), in which Warrington L.J. stated that:

> "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."

51. Sinops' section 5(4)(a) ground is successful. Brymec's application is refused.

52. As Sinops' section 5(4)(a) ground against Brymec has been successful, Brymec's application is refused. This means that Brymec does not have a foundation for its section 5(2)(a) ground. The only way that Brymec can succeed in

getting refusal of Sinops' application is through its section 3(6) objection. For the sake of procedural economy, as Sinops has been successful under section 5(4)(a), it is unnecessary for me to examine whether Sinops' section 3(6) ground of opposition would also have succeeded against Brymec. I will now look at Brymec's section 3(6) ground against Sinops' application.

53. Section 3(6) of the Act states:

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

54. The law in relation to section 3(6) of the Act ("bad faith") was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch):

> "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)."

55. The relevant date under section 3(6) of the act is the date on which Sinops filed its application, which was 14 May 2013.

56. Brymec's ground is predicated on the basis that Sinops, when it filed its application on 14 May 2013, knew about Brymec's own application, filed four months earlier. There is not actually any evidence of that: Brymec points to correspondence which does not prove contact with Sinops. That alleged contact took place two days (at most) before Brymec sent its cease and desist letter. The letter does not mention Brymec's application or any rights at all in DURAFOOT. The letter only refers to DURAFRAME. Sinops' opposition to Brymec's application was not filed until 11 July 2013. There is no proof that Sinops knew of Brymec's application as of 14 May 2013.

57. However, even if it was shown that Sinops knew about Brymec's application, that would not, of itself, prove bad faith. For one thing, the timescales involved are relatively short. However, even where an applicant knows of long use by the other party, there may be no bad faith involved, it depends on more than that single fact: see the Court of Justice in the European Union's judgment in *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH:*

> "46.....the fact that a third party has long used a sign for an identical or similar product capable of being confused with the mark applied for and that that sign enjoys some degree of legal protection is of the factors relevant to the determination of whether the applicant was acting in bad faith".
>
> 47. In such a case, the applicant's sole aim in taking advantage of the rights conferred by a Community trade mark might be to compete unfairly with a competitor who is using the sign which, because of characteristics of its own, has by that time obtained some degree of legal protection.
>
> 48. That said, it cannot be excluded that even in such circumstances, and in particular when several producers were using, on the market, identical or similar signs for identical or similar products capable of being confused with the sign for which registration is sought, the applicant's registration of the sign may be in pursuit of a legitimate objective.
>
> 49. That may in particular be the case.....where the applicant knows, when filing the application for registration, that a third party, who is a newcomer in the market, is trying to take advantage of that sign by copying its presentation, and the applicant seeks to register the sign with a view to preventing use of that presentation.

58. In *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited* and others [2009] RPC 9 (approved by the COA in [2010] RPC 16), Arnold J. stated that:

> "189. In my judgment it follows from the foregoing considerations that it does not constitute bad faith for a party to apply to register a Community trade mark

merely because he knows that third parties are using the same mark in relation to identical goods or services, let alone where the third parties are using similar marks and/or are using them in relation to similar goods or services. The applicant may believe that he has a superior right to registration and use of the mark. For example, it is not uncommon for prospective claimants who intend to sue a prospective defendant for passing off first to file an application for registration to strengthen their position. Even if the applicant does not believe that he has a superior right to registration and use of the mark, he may still believe that he is entitled to registration. The applicant may not intend to seek to enforce the trade mark against the third parties and/or may know or believe that the third parties would have a defence to a claim for infringement on one of the bases discussed above. In particular, the applicant may wish to secure exclusivity in the bulk of the Community while knowing that third parties have local rights in certain areas. An applicant who proceeds on the basis explicitly provided for in Article 107 can hardly be said to be abusing the Community trade mark system."

59. It is clear from both of Sinops' grounds against Brymec that Sinops does consider itself to have a superior right to registration and use of the mark. This is with justification: my analysis of Sinops' section 5(4)(a) ground against Brymec's application has revealed that Sinops has the greater claim to goodwill. In BL O/094/11 *Ian Adam*, the Appointed Person (Mr Geoffrey Hobbs QC) said at paragraph 33:

> "The line which separates legitimate self-interest from bad faith can only be crossed if the applicant has sought to acquire rights of control over the use of the sign graphically represented in his application for registration in an improper manner or for an improper purpose."

60. I do not consider that Sinops crossed the line separating legitimate self-interest from bad faith. Filing its application was not behaviour which falls short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. **Brymec's section 3(6) ground fails.**

Outcome

61. (i) Sinops' opposition succeeds. Brymec's application is refused.

(ii) Brymec's opposition fails. Sinops' application may proceed to registration.

Costs

62. Sinops has been successful in opposing Brymec's application and in defending its own application. It is entitled to a contribution towards its costs. I bear in mind that the two cases were consolidated, thereby reducing some of the expense. Accordingly, applying the scale of costs in Tribunal Practice Notice 4/2007, the award is as follows:

Opposition fee	£200
Preparing statements and considering Brymec's counterstatement	£400
Filing evidence and considering Brymec's evidence	£700
Written submissions in lieu of a hearing	£300
Total	**£1600**

63. I order Luke Reiner t/a Brymec to pay Sinops Limited the sum of £1600 which, in the absence of an appeal, should be paid within seven days of the expiry of the appeal period.

Dated this 16th day of December 2014

Judi Pike
For the Registrar,
the Comptroller-General