

O-609-16

REDACTED VERSION FOR PUBLIC INSPECTION

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK REGISTRATION 3060820
IN THE NAME OF MAD PROFESSOR LTD
OF THE FOLLOWING TRADE MARK IN CLASS 41:**

The Crystal Maze

AND

**AN APPLICATION FOR INVALIDITY (NO. 500968) BY
ADVENTURE LINE PRODUCTIONS SAS**

Background and pleadings

1. This dispute concerns whether the following trade mark is validly registered:

The Crystal Maze

Class 41 – Arranging and conducting team building events and competitions; arranging and conducting corporate events; provisions of facilitation and training; provision of recreational facilities; leisure services.

2. The mark was filed on 20 June 2014 by Mad Professor Ltd (“the proprietor”), was published for opposition purposes on 25 July 2014, and was registered on 10 October 2014.

3. Adventure Line Productions SAS (“the applicant”) seeks invalidation of the registration. It relies on a single ground under section 5(4)(a) of the Trade Marks Act 1994 (“the Act”), the allegation being that the use of the proprietor’s mark is liable to be prevented under the law of passing-off.

4. The applicant’s case is based, in summary, on the use of the name **The Crystal Maze** since February 1990 in respect of “entertainment services, in particular television programmes, games and challenges”. The television programme ran for six series in the first half of the 1990s but still appears on television to this day. It is claimed that the programme is/was very successful, creating goodwill which is claimed to be owned by the applicant, its predecessors and its licensees. It is claimed that the use of the proprietor’s mark would constitute a misrepresentation (at the very least by indicating to the public that the proprietor’s use is a licenced form of use) which would damage the proprietor’s business.

5. The proprietor filed a defence denying the claims. I note the following from its counterstatement:

- i) The mark was lawfully registered, following the procedures of the IPO with no challenge being made to the mark whilst it was pending. The proprietor questions whether it is appropriate for invalidation to be sought in such circumstances. I will deal with this point now. The fact that the mark was accepted and registered in accordance with IPO procedures does not create any form of defence. If this was not the case then all proprietors would be immunized from an application for invalidation.
- ii) It questions whether the applicant is the proprietor of the earlier right, highlighting that an earlier registration for a trade mark from the 1990s was owned by a company called Chatsworth Enterprises Ltd (“Chatsworth TV”) who have not challenged the proprietor’s mark; later evidence shows that Chatsworth TV was the company that produced the television programme.
- iii) The earlier sign relied on by the applicant is not identical to its mark. It is not clear why this is claimed because both the registered mark and the earlier sign comprise the words: The Crystal Maze.
- iv) There will be no misrepresentation. This is based on a number of factors relating to the service provided under the proprietor’s mark, including:
 - a. The services are team building events not television programmes.
 - b. Whilst the proprietor’s service is a “Crystal Maze themed event”, this is a parodying form of use.
 - c. There are differences in the games/challenges/format used in the television programme and those used in the team building event.
 - d. The event will not be shown on television, nor will it present itself as a television programme or indicate that it has any connections to it.
 - e. There is no prospect of any person reasonably believing by mistake that there is a connection between the team building event and the television programme.
- v) There is no evidence that “substantial damage” has been caused or that it could ever be caused.

6. Both sides are now professionally represented. The applicant by Boulton Wade Tennant, the proprietor by Kennedys Law LLP, although, the proprietor represented himself for the majority of the proceedings. Both sides filed evidence. A hearing took place before me on 4 November 2016 at which the proprietor was represented by Mr Prashant Popat QC and the applicant by Ms Anna Edwards-Stewart, both of counsel, instructed by the parties' respective legal firms.

The evidence

7. Rather than summarise the evidence statement by statement, I will, instead, summarise it with reference to particular issues. However, for the record, the witnesses, and what, in summary, they give evidence about, are as follows:

Witnesses for the applicant

- i) Mr Sebastian Petiot, the applicant's CFO. He gives evidence about the applicant, a French production company which specialises in television programmes with a "physically adventurous nature" and a company which licenses format rights to other production companies and broadcasters around the world. He gives evidence about how the Crystal Maze programme came to be, various agreements relating to it, and evidence about the success of the programme.
- ii) Ms Kate Potter, an Audience Insight Analyst for a company called Kodiak, which works on the applicant's behalf. She provides evidence about the audience for the Crystal Maze television programme.
- iii) Mr Neale Simpson, who works for RDF Television, part of the same group as the applicant and Kodiak. He gives evidence about the television programme, in particular focusing on some of its key features.
- iv) Mr Tom Maguire, who works for Little Lion Entertainment. He gives evidence about approaching Kodiak to obtain a rights agreement relating to a live Crystal Maze experience.

- v) Ms Dorothee Simic, the applicant's Head of Legal. Her evidence relates to one of the agreements referred to by Mr Petiot and her interpretation of it from the perspective of French law.

Witness for the proprietor

- i) Ms Angela Crockford, the proprietor's managing director. She gives evidence about the proprietor's business and its use of the name The Crystal Maze. She also makes a number of comments about the applicant's evidence.

The primary evidential issues

The Fort Boyard format

8. Mr Petiot explains that one of the applicant's most famous formats is called Fort Boyard. It was originally developed by a French creator and producer of game shows named Jaques Antoine. The show features physical and endurance challenges filmed on location at a real fort in France. The fort is leased by the format owner (who Mr Petiot states is now the applicant) and it is made available to licensees of the Fort Boyard format to film there on a scheduled basis.

Chatsworth TV

9. Mr Petiot explains that Chatsworth TV was an English production company who approached Mr Antoine in 1989 to acquire the rights to the Fort Boyard format for Channel 4. A pilot was produced, hosted by Richard O'Brien. However, the fort was not available for a full length series, so it was agreed to adapt Fort Boyard to create a new format aimed at the same target audience but being studio based instead. The format, although based on Fort Boyard, needed to be different enough to allow both versions to operate in the same market.

New format – The Crystal Maze

10. The new format created for Chatsworth TV was The Crystal Maze. The format rights were assigned to Chatsworth TV by way of an agreement between it and a company set up by Mr Antoine named Jacques Antoine et Cie (“JAC”). Mr Petiot states that, today, an agreement of this type would be structured as an exclusive license as opposed to an assignment of rights. However, he notes that the agreement included an automatic re-assignment clause that took effect when the broadcaster, Channel 4, failed to re-commission the programme from Chatsworth TV at the end of the sixth series. The agreement contains a detailed explanation of the format itself. Mr Petiot also provides agreements between Chatsworth TV and Channel 4. I will come back to these agreements in more detail later, particularly when I deal with the question of the ownership of goodwill.

11. Mr Simpson’s evidence focuses on the key elements of the television programme, his view being that the proprietor’s team building events draw heavily upon it. For reasons that will become apparent, I do not consider it necessary to detail this evidence in any further detail.

The success of The Crystal Maze television programme

12. Ms Potter provides a lot of data about the airings of The Crystal Maze. The programme ran for six series in the first half of the 1990s. There were 13 episodes per series plus 5 Christmas specials. It was Channel 4’s most watched entertainment show in 1992. It was Channel 4’s most watched quiz/challenge show in 1992 and 1993. Its peak audience was 5.9 million. Channel 4 broadcast the programme 214 times between 1992 and 1997. 40% of the audience was under 16. Challenge TV bought the rights (not the format rights) in 1999 and has broadcast repeats since then. Between 2002 and 2015 The Crystal Maze has been broadcast almost 5,500 times and has reached 22% of the UK population (or 12.6 million viewers). Viewing peaked on Challenge TV at 197k. Mr Petiot also gives evidence about the success of the programme, but he says little more than the other witnesses so I say no more about this.

What happened to JAC?

13. JAC was the company set up by Mr Antoine. Mr Petiot states that in 1996 JAC merged into a company called Expand Images. An untranslated version of a document from the French Company register is provided at Exhibit SP2 which is said to support this. Expand Images at some point changed its name to Studio Expand. Studio Expand was, it is claimed, a subsidiary of a television company called Canal+. The applicant was, it is claimed, a subsidiary of Studio Expand. In 2004 Studio Expand “divested” itself of various assets including the applicant company to an investment fund called Bridgepoint Central which ultimately led to an agreement between Studio Expand and the applicant in which the rights to the Fort Boyard format were assigned; there is no mention of any rights in the mark Crystal Maze.

What happened to Chatsworth TV?

14. Mr Petiot states that Chatsworth TV ran into financial difficulties in 2004 and was subsequently liquidated in 2007. However, in 2008 the applicant discovered that Chatsworth TV had licensed a company named Dynamo Games (“Dynamo”) to produce a computer game based on the Crystal Maze format. The applicant also discovered that prior to its liquidation, and contrary to the agreement between JAC and Chatsworth TV, it had assigned its rights in the Crystal Maze to a sister company called Chatsworth Enterprise Limited (“Chatsworth 2”). This ultimately led to a settlement agreement dated 20 July 2009 (“the 2009 agreement”) (which I will come back to) between the applicant on the one hand (being the claimed successor to JAC) and, on the other hand, Chatsworth TV, Chatsworth 2 and a Mr Heyworth (the company director of both Chatsworth companies). Mr Petiot states that the agreement transferred the rights in or relating to the Crystal Maze format to the applicant.

More recent uses of The Crystal Maze

15. Mr Petiot states that the format has been re-pitched to broadcasters since 2010. Although no agreements have been reached, he is optimistic that a new version may be brought back to television screens. He also states that Zodiak collaborated (on the applicant’s behalf) with a company called Little Lion to create a live immersive

experience based on The Crystal Maze. Press articles from mid-2015 show this and the association with the original show. Mr Petiot states that this demonstrates that the applicant's interests extend beyond television programme and that it should be free to exploit its rights under The Crystal Maze name in respect of any goods and services that would be associated with its goodwill.

16. Mr Maguire works for Little Lion. He explains that he first approached Kodiak in 2012 in relation to obtaining the rights to create a live experience called the Crystal Maze. An agreement was subsequently concluded. A crowd-funding campaign was launched in mid-2015 in order to raise capital for the venture. Mr Maguire explains that crowd-funding was chosen since he:

“..believed the public would recognise our project in relation to the television series and be genuinely excited to be involved in a live interactive version of the television programme”.

17. He goes on to identify some of the features of the live show which, it is fair to say, mirror closely the format of the television programme, albeit with some modifications to fit the live nature of the experience. Various exhibits are provided in relation to all this, from which it is clear that the live experience was not due to launch until early 2016 in London. The only other use (beyond that set out in the next paragraph) relates to the use of the name The Crystal Maze in respect of the computer game produced by Dynamo which Mr Petiot states was very popular.

The proprietor's use of the name The Crystal Maze

18. Ms Crockford gives some background about the proprietor and its role in the corporate events industry. She considers it to be an innovator in the field. In 2013 it won the University of Hertfordshire's "Dragon's Den" competition (see Exhibit AJC1). This led, apparently, to the University taking an interest in the development of the proprietor's business and this led to the suggestion that it should protect its business by, amongst other things, registering trade marks. One such trade mark was The Crystal Maze which Ms Crockford states was the name of one of its events programs which had been designed and developed about five years earlier.

19. What is abundantly clear from Ms Crockford's evidence is that The Crystal Maze team building event is intended to bring, at the very least, the television programme to mind. Whilst I accept that the format is not absolutely identical, it is nevertheless themed in the same way, including the use of a presenter who dresses up as, and mimics, Richard O'Brian, the television programme's first presenter. Ms Crockford makes a number of comments describing its use as some form of parody.

Section 5(4)(a)

20. Section 5(4)(a) of the Act reads:

"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."

21. 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."

22. 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.”

The relevant date

23. Whether there has been passing-off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC, sitting as the Appointed Person, stated:

“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.’ ”

24. The applicant must establish that it owned goodwill associated with the name The Crystal Maze at least by the date on which the proprietor filed its trade mark, namely 20 June 2014. The proprietor suggests that the name has been used before then. It claims, for example, that the team building programme was designed and developed some five years earlier. However, such a bare claim does not permit a proper analysis of first use. The closest one gets to any earlier use is that shown in Mr Simpson’s evidence. He provides an archive print of the proprietor’s website showing the name The Crystal Maze being used as of 21 June 2011. I will take this date as the earliest point in time at which the matter must also be assessed.

Goodwill

25. In *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL), the Court stated:

“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.”

26. In *Hart v Relentless Records* [2003] FSR 36, Jacob J. (as he then was) stated that:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred

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

27. However, a small business which has more than a trivial goodwill can protect signs which are distinctive of that business under the law of passing-off even though its reputation may be small. 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."

See also: *Stannard v Reay* [1967] FSR 140 (HC); *Teleworks v Telework Group* [2002] RPC 27 (HC); *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590 (COA)

28. In terms of what is required to establish goodwill, I note that in *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

"27. There is one major problem in assessing a passing of 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.

28. 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.”

29. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. stated that:

“[The above] 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.”

30. It is clear to me that the popularity of the television programme would have generated a valuable and protectable goodwill when it was first broadcast in the first half of the 1990s. The repeating of the programme on Challenge TV will have helped to keep the programme in the public eye. 40% of viewers were under the age of 16. This means that a good proportion will still be alive today (or more accurately were still

alive at the relevant dates) many of who will look back on the programme nostalgically. Goodwill does not dissipate immediately following the end of use. In *Ad-Lib Club Limited v Granville* [1971] FSR Pennycuick VC stated:

“It seems to me clear on principle and on authority that where a trader ceases to carry on his business he may nonetheless retain for at any rate some period of time the goodwill attached to that business. Indeed it is obvious. He may wish to reopen the business or he may wish to sell it. It further seems to me clear in principle and on authority that so long as he does retain the goodwill in connection with his business he must also be able to enforce his rights in respect of any name which is attached to that goodwill. It must be a question of fact and degree at what point in time a trader who has either temporarily or permanently closed down his business should be treated as no longer having any goodwill in that business or in any name attached to it which he is entitled to have protected by law.

In the present case, it is quite true that the plaintiff company has no longer carried on the business of a club, so far as I know, for five years. On the other hand, it is said that the plaintiff company on the evidence continues to be regarded as still possessing goodwill to which this name AD-LIB CLUB is attached. It does, indeed, appear firstly that the defendant must have chosen the name AD-LIB CLUB by reason of the reputation which the plaintiff company's AD-LIB acquired. He has not filed any evidence giving any other reason for the selection of that name and the inference is overwhelming that he has only selected that name because it has a reputation. In the second place, it appears from the newspaper cuttings which have been exhibited that members of the public are likely to regard the new club as a continuation of the plaintiff company's club. The two things are linked up. That is no doubt the reason why the defendant has selected this name.”

31. In *WS Foster & Son Limited v Brooks Brothers UK Limited* [2013] EWPC 18, Mr Recorder Iain Purvis QC stated:

“The acid test for its existence in the present case must be whether, seeing a new pair of shoes bearing the ‘Peal & Co.’ name and the fox and boot brand, such customers would place any reliance on the quality of the old product from the early 1960s when considering whether to buy it. Plainly they would not. The brand would have to justify itself afresh. Residual goodwill cannot seriously expect to survive 48 years with no use.

32. It can be beyond doubt that the proprietor must have regarded the name The Crystal Maze as having some form of pull, some form of attractiveness for its potential customers. Why else would it have used the name? I accept that mere memory of a name may not be enough to show that goodwill still exists. However, in this case, based on the popularity of the show, based on the time it has been out of production, based on the repeat showings keeping the name in mind, and based on what I consider to be a general knowledge amongst members of the public that popular shows are often revived, I consider that the goodwill will have survived to both relevant dates. If, for example, a new version of The Crystal Maze were to be produced, the public would believe that it was the responsibility of the same (or related) undertaking as the old programme and they would rely on the quality of the old programme when considering whether to view it.

33. The question that arises from the above is whether the applicant owns that goodwill. This is important not least because of the requirements of section 47(2) of the Act which means that only the proprietor of the earlier right may seek invalidation under section 5(4)(a). In her skeleton Ms Edwards-Stuart noted that ownership of goodwill had not been denied. However, it is clear to me that since seeing the facts relied upon, ownership of goodwill has been called into question by the proprietor. In any event, the applicant must establish to my satisfaction (the point not having been explicitly accepted by the proprietor) that it is entitled to bring the claim. The question of ownership must, therefore, be resolved.

34. Ms Edwards-Stuart set out two alternate routes by which the applicant claims to own the goodwill. She relied mainly on route 1, but if I found against her on that then, alternatively, she relied on route 2. The two routes are as follows:

Route 1 – Chatsworth TV were the first owners of the goodwill, goodwill which was assigned to Chatsworth 2, which was subsequently assigned to the applicant as part of the settlement agreement when it discovered the licence deal with Dynamo.

Route 2 – That goodwill was created by Chatsworth TV, but this was assigned to JAC as part of the re-assignment clause, JAC merged into Expand Images, who changed its name to Studio Expand who then assigned its rights to an investment fund called Bridgepoint Central, which led to an assignment to the applicant.

35. For his part, Mr Popat submitted that the agreement between JAC and Chatsworth TV covered all rights to do with The Crystal Maze format, including goodwill, consequently, the goodwill will have transferred back to JAC as part of the re-assignment clause. However, the subsequent merger and transfer (the agreement for which specifically mentions Fort Boyard, but not The Crystal Maze) fails to show onward transfer to the applicant. Alternatively, he submitted that if the goodwill did not re-assign to JAC, then an onward transfer to Chatsworth 2, and on again to the applicant, is not made out, with the evidence attempting to show the transfer being poor.

36. I will first consider the merits of the applicant's claim to ownership of the UK goodwill under The Crystal Maze name based on the goodwill passing through the second route described above. In *The Law of Passing-Off: Unfair Competition by Misrepresentation*, 4th Ed, Wadlow, the following helpful guidance is provided in relation to the ownership of goodwill:

“3-136 The factors which influence the ownership of goodwill were encapsulated by Lord Reid in *Oertli v Bowman* [1959 RPC 1, 7, HL]:

“Bowmans made and marketed the *Turmix* machines without the appellants [plaintiffs] having controlled or having had any power to control the manufacture, distribution or sale of the machines, and without

there having been any notice of any kind to purchasers that the appellants had any connection with the machines.”

There are two distinct, and not necessarily consistent, standards in this passage. One is to ask who is in fact most responsible for the character or quality of the goods; the other is to ask who is perceived by the public as being responsible. The latter is (perhaps surprisingly) the more important, but it does not provide a complete answer to the problem because in many cases the relevant public is not concerned with identifying or distinguishing between the various parties who may be associated with the goods. If so, actual control provides a less decisive test, but one which does yield a definite answer.

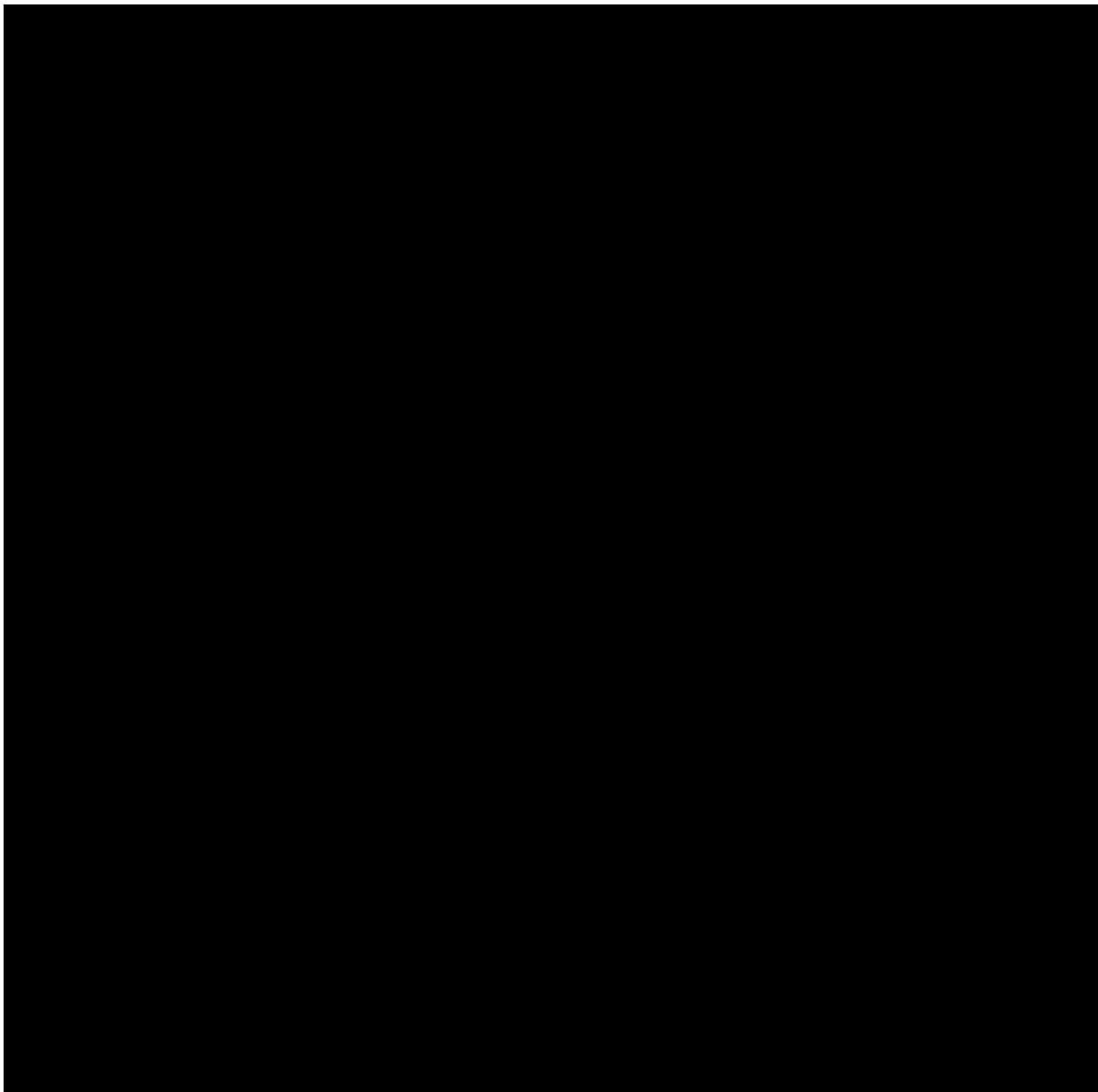
3-137 To expand, the following questions are relevant as to who owns the goodwill in respect of a particular line of goods, or, *mutatis mutandis*, a business for the provision of services:

- Are the goods bought on the strength of the reputation of an identifiable trader?
- Who does the public perceive as being responsible for the character or quality of the goods? Who would be blamed if they were unsatisfactory?
- Who is most responsible in fact for the character or quality of the goods?
- What circumstances support or contradict the claim of any particular trader to be the owner of the goodwill? For example, goodwill is more likely to belong to the manufacturer if the goods are distributed through more than one dealer, either at once or in succession. If more than one manufacturer supplies goods to a dealer and they are indistinguishable, the dealer is more likely to own the goodwill.”

37. All things being equal, it seems to me that any goodwill associated with an on-going television programme would be owned by the production company who made it. A broadcaster may also act as producer of content, in which case it would own the goodwill, but that is not the case here. Channel 4 was just the broadcaster who commissioned Chatsworth TV to produce the programme. It is clear, though, that Chatsworth TV did not come up with the name *The Crystal Maze*. The name was

coined by JAC (or more accurately Mr Antoine) when a new format was devised for Chatsworth TV to use when it became apparent that it would not be able to make use of the Fort Boyard format. However, irrespective of this, the production itself, and its quality, is the responsibility of the producer and the questions posed above fall to be answered with reference to Chatsworth TV.

38. It is, though, still important to consider the agreement between JAC and Chatsworth TV in order to see whether my “all things being equal” finding should be disturbed. The agreement is provided by Mr Petiot in Exhibit SP1. It has been granted confidentiality, so much of what I come on to say is redacted from the public version of this decision. REDACTION





42. It is also important to consider Chatsworth TV's agreement with Channel 4 to determine whether my "all things being equal" finding is disturbed. In short, it does not.



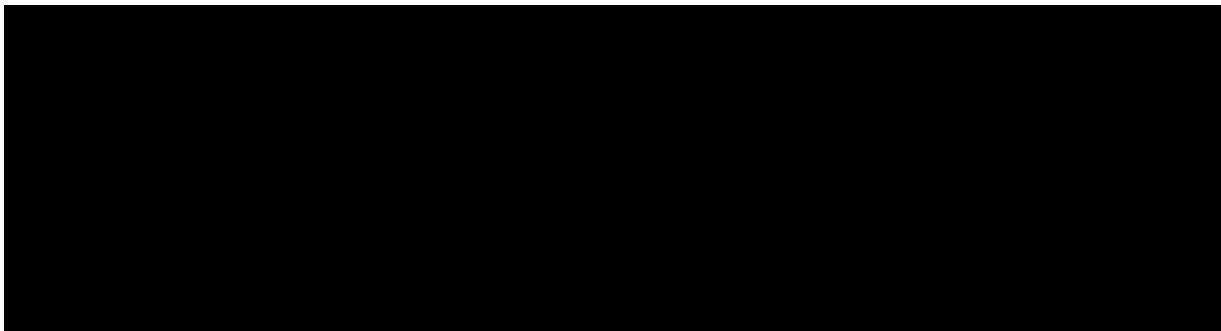
43. In view of the above, my finding is that Chatsworth TV first owned the goodwill in relation to the television programme and that its goodwill was not assigned to JAC when the rights to exploit the format were due to be returned to it (when Channel 4 chose not to re-commission the programme). I therefore reject the applicant's claim to ownership of a relevant goodwill based on route 2 described above. Given this, it is Route 1 which takes on more importance, on which I will now focus.

44. Interestingly, the 2009 agreement which Ms Edwards-Stuart relies on to transfer the goodwill to the applicant (via route 1) REDACTION



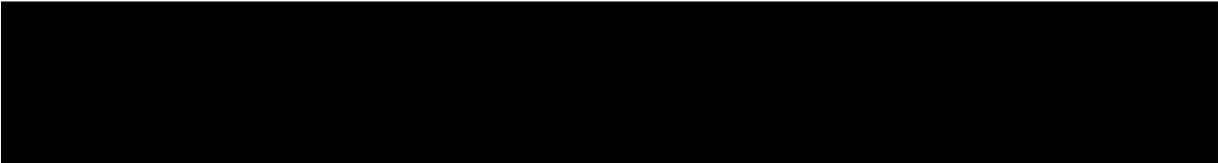
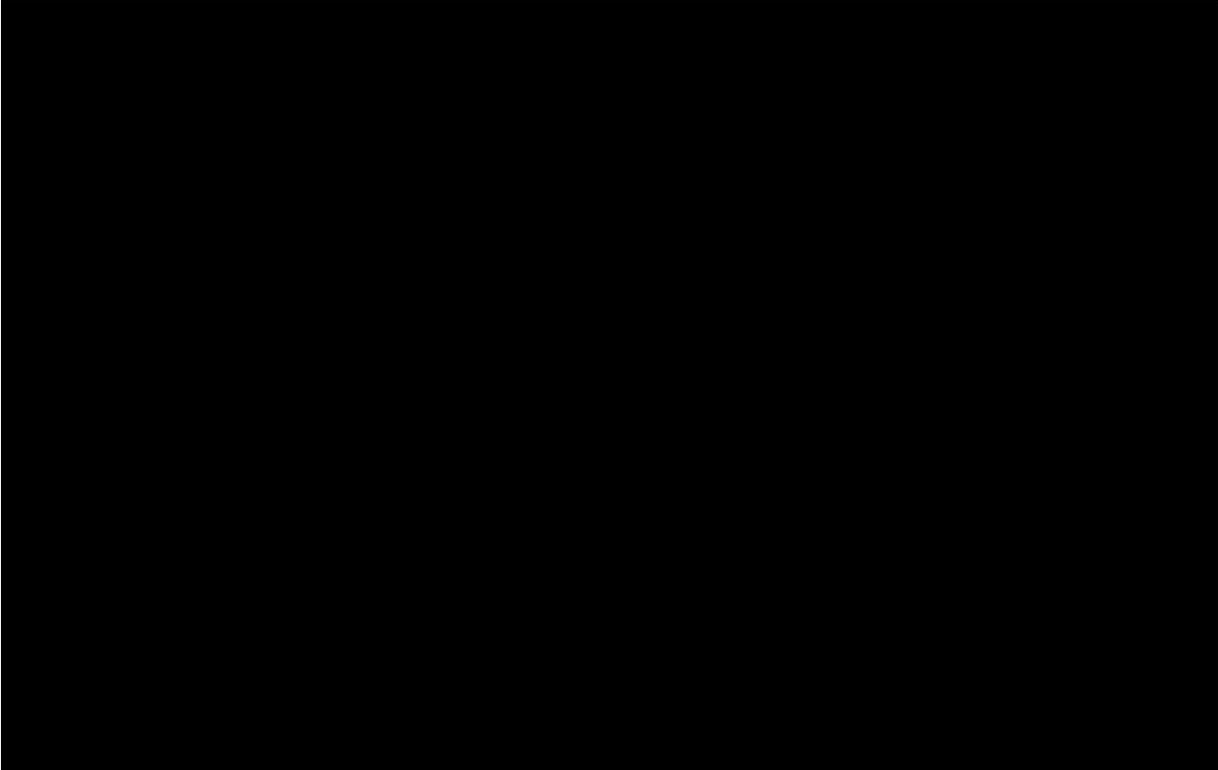
In view of the above, I do not think it possible to conclude that the 2009 agreement directly transfers any goodwill from Chatsworth TV to the applicant. The questions that remain are, therefore: (1) did the goodwill transfer from Chatsworth TV to Chatsworth 2? and (2) is the 2009 agreement wide enough to cover a transfer of goodwill from Chatsworth 2 to the applicant?

45. In terms of the second of those questions, REDACTION



REDACTIONThus, I come to the view that the benefit of goodwill, obtained through the exploitation of the format rights, is potentially (although not explicitly) included.

46. In terms of the first question (did the goodwill transfer from Chatsworth TV to Chatsworth 2?), I note from clause 1.5 of the 2009 agreement, which is part of the background preamble:

48. Mr Popat considered the evidence to be flimsy. Ms Edwards-Stuart acknowledged that the actual agreement (from June 2007) between the two Chatsworth companies was not to hand, but that this was not fatal to the case. She relied on *Masquerade Music v Springsteen* [2001] EMLR. Clearly, the facts of that case, as Mr Popat submitted, were very different. Nevertheless, I accept as a general proposition that it is possible to conclude that an assignment took place, even if the assignment document is not in evidence, if other evidence points that way. To that extent, Ms Edward-Stuart relied upon the contemporaneous evidence mentioned above.

49. It is clearly difficult to make an assessment without seeing the agreement from 2007 which is claimed to exist between the two Chatsworth companies. Further, it does not help that none of the witnesses who have given evidence were directly involved in the claimed transfer of goodwill. The only witness who comments is Mr Petiot, who had nothing to do with either Chatsworth company or the agreement they reached. Even then Mr Petiot does not refer to goodwill at all. It is also noteworthy that

the 2007 agreement must have been around 10 years after the Crystal Maze was last produced. It is therefore not as though Chatsworth 2 took on, as a going concern, the television production business of Chatsworth TV, or at least there is no evidence that they did. REDACTION



50. In view of the above, and whilst accepting that there is some contemporaneous evidence to suggest that some assets may have been transferred to Chatsworth 2, it is in my view too great a leap to infer that the goodwill of the business associated with the production of the television programme was transferred. The consequence of this is that the 2009 agreement could not have covered the transfer of goodwill (because Chatsworth 2 did not have it to transfer) to the applicant. The applicant has failed to establish that it is the owner of the relevant goodwill through either of the routes put forward by Ms Edwards-Stuart. **Its claim must therefore fail with the result that the invalidation is dismissed.**

51. For the record, I note that Mr Popat referred in his skeleton to the ambiguity as to the ownership of goodwill. He highlighted that Mr Maguire went to Kodiak not the applicant in order to secure the agreement to use the mark The Crystal Maze for the live experience. Whilst this is noted, this has not influenced the decision I have reached above. Kodiak just appears to be a related company that has done some work on behalf of the applicant. If I had been persuaded the goodwill had passed to the applicant then the relationship with Kodiak would not have mattered. The final point I note before moving on relates to the proprietor's reference to the earlier trade mark for a figurative mark incorporating the words THE CRYSTAL MAZE, a mark which has now expired, and which was owned by Chatsworth TV. Put simply, I see no pertinence in the existence of this mark whatsoever. It does not help either party.

52. The application for invalidation has failed. I would ordinarily leave matters there. However, in case of appeal, I will give my view on misrepresentation and damage should it be found on appeal that the applicant does own the relevant goodwill.

Misrepresentation

53. 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.”

And later in the same judgment:

“... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993) . It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

54. One of the points raised by the proprietor relates to the different field of activity in which it operates, compared to that of the applicant. In this respect, it is worth noting the decision in *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA), where Millet L.J. stated:

“There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff's business. The expression “common field of activity” was coined by *Wynn-Parry J. in McCulloch v. May* (1948) 65 R.P.C. 58, when he dismissed the plaintiff's claim for want of this factor. This was contrary to numerous previous authorities (see, for example, *Eastman Photographic Materials Co. Ltd. v. John Griffiths Cycle Corporation Ltd.* (1898) 15 R.P.C. 105 (cameras and bicycles); *Walter v. Ashton* [1902] 2 Ch. 282 (The Times newspaper and bicycles) and is now discredited. In the *Advocaat* case Lord Diplock expressly recognised that an action for passing off would lie although “the plaintiff and the defendant were not competing traders in the same line of business”. In the *Lego* case *Falconer J.* acted on evidence that the public had been deceived into thinking that the plaintiffs, who were manufacturers of plastic toy construction kits, had diversified into the manufacture of plastic irrigation equipment for the domestic garden. What the plaintiff in an action for passing off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.

The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration

‘...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant’:

Annabel's (Berkeley Square) Ltd. v. G. Schock (trading as *Annabel's Escort Agency*) [1972] R.P.C. 838 at page 844 per Russell L.J.

In the *Lego* case *Falconer J.* likewise held that the proximity of the defendant's field of activity to that of the plaintiff was a factor to be taken into account when deciding whether the defendant's conduct would cause the necessary confusion.

Where the plaintiff's business name is a household name the degree of overlap between the fields of activity of the parties' respective businesses may often be a less important consideration in assessing whether there is likely to be confusion, but in my opinion it is always a relevant factor to be taken into account.

Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that

‘even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.’

In the same case Stephenson L.J. said at page 547:

‘...in a case such as the present the burden of satisfying Lord Diplock's requirements in the *Advocaat* case, in particular the fourth and fifth requirements, is a heavy burden; how heavy I am not sure the judge fully appreciated. If he had, he might not have granted the respondents relief. When the alleged “passer off” seeks and gets no benefit from using another trader's name and trades in a field far removed from competing with him, there must, in my judgment, be clear and cogent proof of actual or possible confusion or connection, and of actual damage or real likelihood of damage to the respondents' property in their goodwill, which must, as Lord Fraser said in the *Advocaat* case, be substantial.’ ”

55. Further, the nature of the required (perceived) connection was dealt with in the same case as follows:

“it is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant's goods or services. A belief that the plaintiff has sponsored or given financial support to the defendant will not ordinarily give the public that impression. Many sporting and artistic events are sponsored by commercial organisations which require their name to be associated with the event, but members of the public are well aware that the sponsors have no control over and are not responsible for the organisation of the event. Local teams are often sponsored in similar fashion by local firms, but their supporters are well aware that the sponsors have no control over and are not responsible for the selection or performance of the players.

Schools and colleges are not normally sponsored or promoted in the same way, but they are often financially supported by commercial and professional organisations. Scholarships and professorial chairs are increasingly established by professional firms which stipulate that their name is publicly associated with the endowment. But it is generally recognised that those who provide financial support to such institutions do not expect to have any control over or to be held responsible for the institution or the quality of the teaching. Many ancient schools still bear the names of the guilds which founded them, not as part of their trading activities, but as charitable institutions for the benefit of children of their members. The connection is now largely if not entirely historical; but it was probably never one which was capable of adversely affecting the goodwill and business reputation of the founder.”

56. One of the arguments put forward by the proprietor is that the manner of its actual use is a form of parody. Whilst I accept the possibility that a form of use which is perceived as mere parody or satire may not be actionable under the law of passing-off (Mr Popat referred to, for example *Miss World (Jersey) Ltd v James Street Productions Ltd* [1981] FSR 309, CA), I consider reliance on this argument to be

misguided here. This is because the context of this dispute is about the name itself. There is nothing in the name that has been registered that suggests any form of parody. Indeed, the name is the exact same name of the television programme. It is the notional and fair use of that name that must be considered, notional and fair use which would not be limited to parody.

57. In terms of whether the public will make a connection between The Crystal Maze team building service and The Crystal Maze television programme, I consider that they will. I come to this view for a number reasons. First, the fame of the television programme and its reputation, together with its ongoing goodwill. The name itself is also inherently distinctive to at least a reasonable level which provides less likelihood that the public will assume some form of co-incidental use. Mr Popat referred to the fundamentally different fields of activity, however, I consider it important to bear in mind that team building events will use, as the name suggests, teams or groups of teams, and it is normally understood that such events include challenges or other activities to foster team spirit etc. Therefore, irrespective of the different fields of activity, there are key parallels, as Ms Edwards-Stuart submitted, with the television programme because it is based upon a team of people who undertake a series of challenges and activities. Based on all this, I come to the firm view that a substantial number of people would understand that a team building event offered under the name The Crystal Maze will be something along the lines of the team based challenges that featured in the television programme.

58. The question that remains is what the nature of that connection will be? There are a number of possibilities: i) that there is no economic connection at all, ii) that the company responsible for the television programme has branched out and started to operate in the world of team building events, iii) that the company responsible for the TV programme has agreed to the use and has licensed the name to the teambuilding company, iv) that there is some form of looser connection than ii) and iii).

59. If I find that ii) or iii) is the answer then misrepresentation is established. If I find that iv) is the answer then misrepresentation may or may not be established, depending on the exact perceived connection. If I find that i) is the answer then misrepresentation is not established.

60. Having considered the various permutations, and bearing in mind the factors I took into account when deciding whether some form of connection will be established, I conclude that the most probable permutation is answer iii). Whilst it is unlikely for a television production company to branch out into running team building events, the television world is full of commercial tie-ins and this is something the public have become accustomed to (and would have been accustomed to at the relevant dates). I accept that there is little in the evidence to show that The Crystal Maze television programme has done much of this (beyond Dynamo's computer game), but the underlying point remains. Whilst there is no evidence to show that television programmes have often (or at all) licenced the use of the name to a team building events provider, it is not an unrealistic proposition, particularly in a case such as this with the team based challenges involved. My finding is that the public will believe that a team building service offered under the name The Crystal Maze will have an economic connection with the makers of the television programme, suggesting that the former represents some form of licensed use. This, in my view, means that the misrepresentation hurdle is cleared. I should say at this point that the evidence relating to the existence of The Crystal Maze Live event has not influenced my finding because the potential for the opening of the experience was not publically known until after the relevant dates.

61. Mr Popat referred to around 40 other team building events which had copied the proprietors' event. However, there is little evidence to show this, nor the impact it has had on the public, and, therefore, it is not possible to conclude that this will have had any impact on the propensity for deception to arise.

Damage

62. In *Harrods Limited V Harrodian School Limited* [1996] RPC 697, Millett L.J. described the requirements for damage in passing off cases like this:

“In the classic case of passing off, where the defendant represents his goods or business as the goods or business of the plaintiff, there is an obvious risk of damage to the plaintiff's business by substitution. Customers and potential customers will be lost to the plaintiff if they transfer their custom to the defendant

in the belief that they are dealing with the plaintiff. But this is not the only kind of damage which may be caused to the plaintiff's goodwill by the deception of the public. Where the parties are not in competition with each other, the plaintiff's reputation and goodwill may be damaged without any corresponding gain to the defendant. In the *Lego* case, for example, a customer who was dissatisfied with the defendant's plastic irrigation equipment might be dissuaded from buying one of the plaintiff's plastic toy construction kits for his children if he believed that it was made by the defendant. The danger in such a case is that the plaintiff loses control over his own reputation.”

63. In *Ewing v Buttercup Margarine Company, Limited*, [1917] 2 Ch. 1 (COA), 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.”

64. In *Stringfellow and Anr. v McCain Foods (G.B.) Limited and Another* [1984] RPC 501 (COA), Lord Justice Stephenson explained why cogent evidence of damage, or a real likelihood of damage, is required in a case where the parties are engaged in very different fields of commercial activity. He said:

“The development of the law of passing off can be justified by the need to protect traders' business and goodwill and at first sight seems to justify the learned judge's decision in this case. But I have come to the conclusion that we can and should reverse his decision for the reasons given by Slade LJ.

The case is very far removed from the case of a small and perhaps disreputable trader deliberately seeking to attract to his business the goodwill attaching to the established business of a well known trader in the same field. In such a case damage and the likelihood of damage are easily proved. It is, however, much too late to confine the tort of passing off to such clear cases. Decisions of the highest authority permit the courts to restrain innocent and reputable

traders from describing and advertising their own goods in a manner which may lead their customers reasonably to assume a connection with another's business, even if they do not intend to derive, or in fact derive, any benefit from the innocent description and the assumed connection and even if they are operating in a different line of business.

Here the respondents seek to supplement what Slade LJ. has aptly called the “tenuous overlap” between their fields of activity and the appellants' by contemplating the prospect of damage to the respondents in the field of future franchising or merchandising.

I have some doubts whether such damage is recoverable in a passing off action, but I have no doubt that it is not recoverable by the respondents on the facts set out by Slade LJ. I agree with him that in a case such as the present the burden of satisfying Lord Diplock's requirements in the *Advocaat* case, in particular the fourth and fifth requirements, is a heavy burden; how heavy I am not sure the judge fully appreciated. If he had, he might not have granted the respondents relief. When the alleged “passer off” seeks and gets no benefit from using another trader's name and trades in a field far removed from competing with him, there must, in my judgment, be clear and cogent proof of actual or possible confusion or connection, and of actual damage or the real likelihood of damage to the respondents' property in their goodwill, which must, as Lord Fraser of Tullybelton said in the *Advocaat* case, be substantial. In this case there was no such proof.”

65. Ms Edward-Stuart's submissions in relation to damage were based on loss of sales (or more accurately potential loss of licence fees) and, also, potential damage to the applicant's goodwill by, essentially, its goodwill and reputation being placed in the hands of another. My finding is that the potential for damage is made out. It is clear that the applicant would have benefitted from licence fees had appropriate approaches been made and, further, the use of the name in connection with a service the quality of which cannot be controlled could have a potential negative effect. This is highlighted by the fact that the service that has been provided is said to be some form of parody. Parodying use has the potential to impact negatively on a business' reputation.

Although there is no evidence of any damage thus far, despite the proprietor having already started to use its mark, this is not fatal to the claim, particularly in circumstances where the level of public exposure is not known.

Conclusion

66. The application for invalidation fails.

Costs

67. The proprietor having been successful, it is entitled to a contribution towards costs. As it represented itself for most of the proceedings, I have reduced what I would otherwise have awarded because it would not have had to pay any legal fees during that period. My assessment on costs is as follows:

Preparing a counterstatement and considering the statement of case - £150

Filing and considering evidence - £500

Attending the hearing - £500

Total - £1150

68. I order Adventure Line Productions SAS to pay Mad Professor Ltd the sum of £1150 within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 20th day of December 2016



Oliver Morris

For the Registrar

The Comptroller-General