

O/1075/25

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF UK REGISTRATION NOS. 3733126 & 3733133

IN THE NAME OF ACTI GROUP LLC

AND

**THE APPLICATIONS FOR DECLARATIONS OF THE INVALIDITY
THEREOF UNDER NOS 506108 & 506109**

BY

SANDRA CAROL HORSWILL

BACKGROUND AND PLEADINGS

1. These proceedings concern the applications made by Sandra Carol Horswill (“the applicant”) for declarations of invalidity against two trade marks owned by Acti Group LLC (“the proprietor”).

2. The first of these marks is UKTM No. 3733126. It was applied for on 15 December 2021 and was entered in the register on 29 April 2022. The mark is shown below:



3. The second mark is UKTM No. 3733133 and is for the word mark **NAKED HORSE**. It was also applied for on 15 December 2021 and was entered in the register on 25 March 2022.

4. Both marks are registered for the following goods and services:

Class 3

Equine animal cleaning, washing and grooming preparations and products; non-medicated skincare and bodycare preparations and products for equine animals; detangling preparations and products for use on equine animals; cleaning and preserving preparations for leather; waxes and creams for leather.

Class 5

Pharmaceutical and veterinary products and preparations for equine animals; disinfectants; animal washes and lotions and other grooming preparations; flea control products; flea sprays; fungicides; insecticides; parasiticides; animal feed additives and supplements; dietary and nutritional and medical supplements and preparations for equine animals; vitamins; vitamins and mineral supplements and preparations for equine animals; probiotic supplements and preparations for equine animals; medicated, dietary and vitamin beverages for equine animals; nutraceutical preparations for equine animals; medicated and non-medicated pain relief and anti-inflammatory preparations for equine animals; homeopathic

creams, lotions and gels for equine animals; medicated creams, lotions and gels for equine animals; medicated equine animal feed; washes and dips for equine animals; oils and lotions for equine animal hooves; cement for equine animal hooves.

Class 18

Covers and cloths for saddles; pads for horse saddles; horse covers, rugs and blankets; headbands and ear bonnets for horses; boots, leg wraps, tail wraps, face masks, fly masks, spats and knee bandages for equine animals; articles of clothing for equine animals, umbrellas, parasols, articles of leather or imitation leather.

Class 21

Equine animal grooming aids; combs; brushes; sponges; grooming bags.

Class 25

Clothing, footwear and headgear including coats, jackets, gilets, hats and caps, t-shirts and polo-shirts, face masks; parts of clothing, footwear and headgear.

Class 31

Equine animal feeds, foodstuffs and animal feed preparations; equine animal beverages, fattening preparations and fortified food substances; linseed and flaxseed for equine animal consumption.

Class 41

Instructional and teaching services relating to equine animals including their care, grooming, riding and showing; Organizing of events and hospitality relating to equine animals, their riders and carers.

5. On 12 May 2023, the applicant filed applications to have both marks declared invalid under the provisions of sections 5(4)(a) and 3(6) of the Trade Marks Act 1994 (“the Act”) which are relevant in invalidation proceedings under section 47 of the Act. The applications concern all the goods and services for which the contested marks stand registered.

6. Under section 5(4)(a) of the Act, the applicant relies on the sign **NAKED HORSE**, which she claims to have used throughout the UK since 2005, in relation to the following goods and services:

Aromatherapy oils; Essential oils for aromatherapy; Aromatherapy creams, gels and lotions; Natural and Organic preparations; all the aforesaid being for humans and/or animals.

Transportation of horses; Information, advice and consultancy in relation to all the aforesaid services.

Natural, holistic, classical horse training; Provision of horse riding facilities; Information, advice and consultancy in relation to all the aforesaid services.

Equine massage; Equine healing; Natural and holistic therapy for equines; Natural horsemanship services for equines; Information, advice and consultancy in relation to all the aforesaid services.

7. In the application against the contested figurative mark, the applicant also relies on the following figurative signs which she claims to have used throughout the UK since 2011 for the goods and services listed above. I shall refer to the first as “the banner logo” and the second as “the roundel logo”.



8. She also states that the website www.nakedhorse.co.uk was registered by her daughter on 17 October 2004 and was used to advertise goods and services throughout the UK since 2005.

9. The applicant claims to have acquired goodwill under the signs and that use of the contested marks would constitute a misrepresentation to the public that would damage the goodwill in her business. Consequently, use of the contested marks would be contrary to the law of passing off.

10. Under section 3(6), the applicant claims that the proprietor's actions fell short of acceptable standards of commercial behaviour as "*it is beyond doubt*" that it applied to register the contested marks in the knowledge the applicant was the owner of the sign **NAKED HORSE** and logos containing the sign. She argues that there are no other trade marks on the register for goods in Class 5 composed of the word "NAKED" plus a type of animal. Therefore, the earlier word sign is highly original and distinctive and the use by the proprietor cannot be put down to simple coincidence.

11. The proprietor filed defences and counterstatements denying the claims made and putting the applicant to proof of the existence of goodwill in the unregistered signs relied on under section 5(4)(a) of the Act. It accepts that the domain name nakedhorse.co.uk is in the name of the applicant's daughter and argues that, to the extent that any goodwill arises from use of that website, it does not belong to the applicant. Should the applicant be able to show that it has goodwill, the proprietor denies that there would be misrepresentation and that damage would be caused to the goodwill.

12. Under section 3(6), the proprietor denies that the applications for the trade marks were filed in bad faith and in particular denies any knowledge of the applicant's alleged rights prior to the filing dates.

13. The proprietor requested a hearing and this was held by video link on 28 August 2025. The proprietor was represented by Professor Phillip Johnson of Counsel, instructed by Shoosmiths LLP. The applicant was represented by Michael Smith of Counsel, instructed by Taylors Solicitors. Both Counsel filed skeleton arguments in advance of the hearing, at the start of which Professor Johnson clarified that he would not be relying on some of the points raised in his skeleton argument.¹

¹ These are the points made in paragraphs 9-16.

EVIDENCE

14. The applicant's evidence in chief comes from Sandra Horswill, the applicant herself. Her witness statement is dated 12 January 2024 and is accompanied by 21 exhibits. The evidence goes to the claim of goodwill and the allegation that the contested marks were filed in bad faith.

15. The proprietor's evidence comes from James Hugo Christopher Hillyard-Miller, Director of Acti Group LLC. His witness statement is dated 27 March 2024 and is accompanied by 5 exhibits. It is adduced to explain the origin of the proprietor's brand, the choice of the name, and the searches that were undertaken prior to the application for the contested marks.

16. The applicant filed evidence in reply in the form of a second witness statement from Mrs Horswill dated 27 June 2024 and accompanied by a single lengthy exhibit. Her evidence responds to Mr Hillyard-Miller's challenges relating to the existence and operation of the www.nakedhorse.co.uk website and his evidence on the proprietor's lack of awareness of the applicant's brand.

DECISION

17. The relevant parts of section 47 of the Act are as follows:

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

...

(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground –

...

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

...

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(5A) An application for a declaration of invalidity may be filed on the basis of one or more earlier trade marks or other earlier rights provided they all belong to the same proprietor.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.

18. Subsections 2A and 2G do not apply to these proceedings, as they relate to applications for invalidity based on earlier trade marks.

Section 5(4)(a)

19. Section 5(4)(a) of the Act states that:

“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 or law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection 4(A) is met

...”

20. Subsection 4(A) is as follows:

“The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of

application for registration of the trade mark or date of the priority claimed for that application.”

21. In *Reckitt & Colman Products Limited v Borden Inc. & Ors* [1990] RPC 341, HL, Lord Oliver of Aylmerton described the “classical trinity” that must be proved in order to reach a finding of passing off at [406]:

“First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying ‘get-up’ (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.”

22. *Halsbury’s Laws of England* Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

“Establishing a likelihood of deception generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive indicium used by the claimant 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 indicium 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 two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which 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 claimant and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the claimant;
- (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 are likely to be deceived and all other surrounding circumstances.

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

Relevant Date

23. In *Maier & Anor v ASOS plc & Anor* [2015] EWCA Civ 220, Kitchin LJ (as he then was) said:

“165. ... Under the English law of passing off, the relevant date for determining whether a claimant has established the necessary reputation or goodwill is the date of the commencement of the conduct complained of (see, for example, *Cadbury-Schweppes Pty Ltd v The Pub Squash Co Ltd* [1981] RPC 429). The jurisprudence of the General Court and that of OHIM is not entirely clear as to how this should be taken into consideration under

Article 8(4) (compare, for example, T-114/07 and T-115/07 *Last Minute Network Ltd* and Case R 784/2010-2 *Sun Capital Partners Inc*). In my judgment the matter should be addressed in the following way. The party opposing the application or the registration must show that, as at the date of application (or the priority date, if earlier), a normal and fair use of the [contested] trade mark would have amounted to passing off. But if the [contested] trade mark has in fact been used from an earlier date then that is a matter which must be taken into account, for the opponent must show that he had the necessary goodwill and reputation to render that use actionable on the date that it began.”

24. The proprietor has filed no evidence to indicate that use was being made of the contested marks prior to their filing dates. Consequently, the relevant date for the assessment of this ground is 15 December 2021.

Goodwill

25. The key issue in dispute between the parties was whether the applicant had shown that it had protectable goodwill at the relevant date. The classic description of goodwill was given by the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at [224]:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantages 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. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of attraction sufficient to bring customers home to the source from which it emanates.”

26. Mr Smith submitted that the evidence showed consistent, if small, levels of trade. He argued that small levels of goodwill were protectable and referred me to the decision of Laddie J in *Sutherland & Ors v V2 Music & Ors* [2002] EWHC 14 (Ch), in which he said:

“22. There is one other general matter to deal with before turning to the facts, namely the size of the claimant’s reputation. At some point a reputation may be respected by such a small group of people that it will not support a passing-off action. Neither Mr Purle nor Mr Speck were able to formulate a test for this bottom level. Mr Purle said it was a matter of fact and degree. I agree with that. The law of passing-off protects the goodwill of a small business as much as the large, but it will not intervene to protect the goodwill which any reasonable person would consider trivial.”

27. Professor Johnson’s argument, in a nutshell, was that, to the extent the evidence showed any goodwill, it was of a minuscule level that would, indeed, be considered trivial.

The applicant’s evidence

28. Mrs Horswill states that, together with her daughter, she has traded under the sign NAKED HORSE since 2005, producing and retailing goods and services related to equine care.² However, later in the same witness statement, she says that “*we produce and sell oils and balms for applications on horses and horse riders*”.³ Since 2011, the business has also used a figurative device of a horse’s head, which was created that year and is shown below:



Product labels were designed in September 2011 and contain the banner logo.⁴ On page 6 of her witness statement, Mrs Horswill states that the figurative sign has been used for all the goods and services listed in the applications for invalidation and reproduced in paragraph 6 above. In her second witness statement, Mrs Horswill says:

² First witness statement, paragraph 1.

³ Paragraph 4.

⁴ Exhibit SH2.

“14. We offer very niche products in a very niche market. We offer, and have since 2005 offered, a natural range of products for horses which are natural, vegan, organic and hand-blended (our products can be used on other animals, but self-evidently they are primarily marketed for horses). Our NAKED HORSE products are designed to address both physical and psychological ailments, and use my knowledge and experience as a qualified human and equine aromatherapist of some 20+ years.”

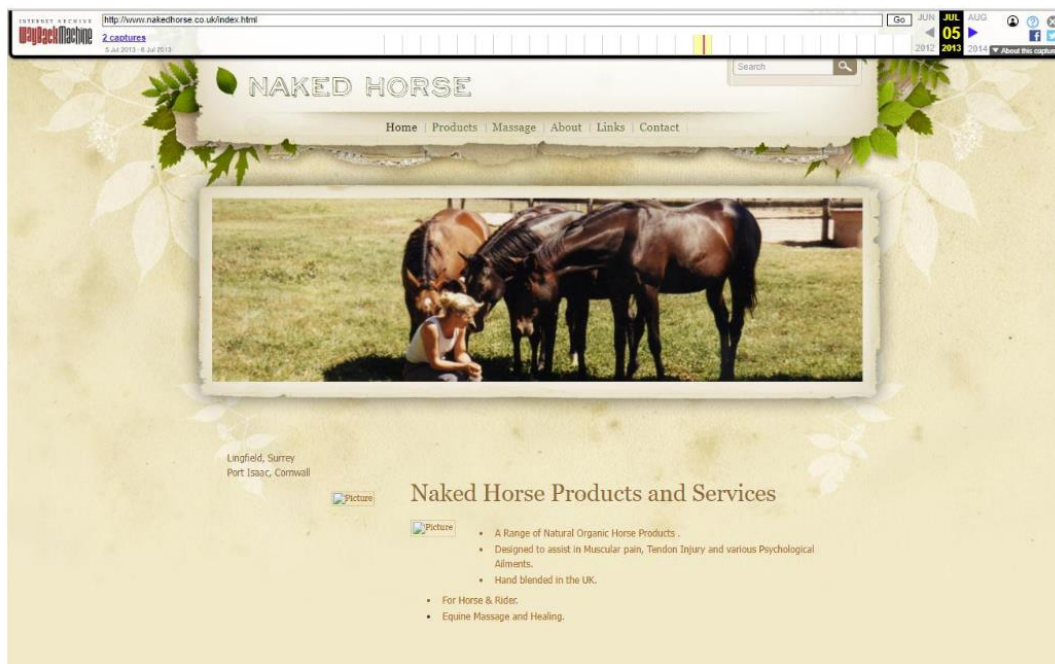
29. Goods have been sold through the website nakedhorse.co.uk and at horse shows, events and fairs.⁵ Exhibit SH3 contains images of a booking form for stand space at the Horse World Live exhibition held at Excel, London, on 16-18 November 2012. The company name is given as “Naked Horse”. Exhibit SH5 contains photographs showing NAKED HORSE winning best retail stand at Moreton-in-Marsh show in 2012. Exhibit SH17 contains a photograph of the Naked Horse exhibition stand at the Hartfield Summer Show in 2016:



30. The earliest evidence of the website dates from 5 July 2013 and has been retrieved using the Internet Archive Wayback Machine. The words “NAKED HORSE” can be

⁵ First witness statement of Mrs Horswill, paragraph 4.

seen at the top.⁶ As well as goods, it refers to the services of equine healing and massage.



31. The banner logo can first be seen on a screenshot dated 23 December 2014:⁷



32. It is used on the further screenshots dated 6 April 2016, 31 October 2017, 14 November 2018, 2 February 2019, 11 January 2022 and 18 May 2022. These last

⁶ Exhibit SH22, page 1.

⁷ *Ibid*, page 3.

two were captured after the relevant date. However, Mr Smith submitted that they indicated trading under the sign up to and beyond the relevant date.⁸ The first of the screenshots shows a selection of equine products and “Sportsman Products”. The equine products are Wound Gel, Muscle Ease, Bruise Ease and Mud Gel. From 2017, the products for animals include Itchy Horse and Sporty Horse. Equine massage oils first appear on 14 November 2018. The banner logo can also be seen on the labels of the applicant’s products. The roundel logo is used less frequently. It can be seen on the lid of the product at the top of the display in the screenshot below which is dated 2 February 2019, but I am unable to make out what this product is.



33. In addition, the applicant also operated a shop in East Grinstead, Sussex. Exhibit SH19 contains photographs of this shop dating from 27 November 2014:

⁸ Transcript, page 5.



The shop is no longer in business. Mrs Horswill says that she believes that it ran from 2012 to 2015.⁹

34. Turnover from the NAKED HORSE business is shown in the following table:¹⁰

<u>Year</u>	<u>Turnover (£)</u>
2011	1,407
2012	1,635
2013	2,336
2014	1,120
2015	1,078
2016	3,399
2017	3,025
2018	2,379

The total of these figures is £16,379 over a period of eight years.

35. Mrs Horswill says that trade was negatively affected by the COVID lockdowns from March 2020, which restricted equestrian activities.¹¹

⁹ First witness statement of Mrs Horswill. This statement appears on the last page, in the description for Exhibit SH19.

¹⁰ Second witness statement of Mrs Horswill, paragraph 11.

¹¹ *Ibid*, paragraph 12.

36. I have not been provided with a breakdown of the turnover figures. However, I do have some sample invoices. I note that Professor Johnson provided some analysis in his skeleton argument but at the hearing he explained that this was based on an earlier version of Mrs Horswill's evidence.¹² I have therefore set out below what I can glean from the evidence on the goods and services sold.

37. Exhibit SH15 is described by Mrs Horswill as a sample of orders from wholesale customers. A business called The Horse Diva made several orders between October 2015 and 1 July 2020. There is also an order dated 25 February 2022, but this is after the relevant date. The goods ordered are hand wash (36 units), bath soak (42 units), hand and body cream (36 units), lip balm (39 units), body cream (12 units), lip salves (27 units), arnica cream (9 units), bath salts (6 units). On 14 February 2012, Cornwall Farmers offered the applicant a three-month trial in its Wadebridge branch on a sale or return basis for the following products: Hessian bag with yard hand wash and bath soak; Hessian bag with 4 oils; Hessian bag with 3 oils; wound gel; muscle ease gel; bruise ease gel. It is not clear whether the conditions required by the retailer were met, and so whether the trial actually took place. There is also an email to a customer dated 10 February 2021 who has ordered some products, but it is not clear how many or what they were.¹³ The last item in this exhibit is an invoice from Cornish Apothecary to Sussex Polo Club dated 19 August 2013 for 8 unnamed Naked Horse products at a unit price of £8.00 and 4 unnamed Naked Horse products at a unit price of £10.00, along with a charge of £70.00 for unnamed services. It is not clear whether these services were supplied under the "Naked Horse" sign. The invoice totals £214.00.

38. Further sample invoices are found in Exhibits SH21 and Exhibit SH22.¹⁴ I have summarised these in the Annex to this decision. The customers are distributed throughout the UK, although I note that there are two invoices to a single customer in France. I have disregarded these, as it is UK customers that are relevant when considering goodwill: see *Starbucks (HK) Ltd & Anor v British Sky Broadcasting Group Plc & Ors* [2015] UKSC 31, paragraph 47.

¹² Transcript, page 18.

¹³ Exhibit SH15, page 3.

¹⁴ Pages 24-131.

39. The table below shows the goods that appear on the invoices and the frequency with which they have been ordered:

Goods	Wholesalers		Other Customers	
	Volume	Years	Volume	Years
Hand Wash	42	2015, 2016, 2017, 2018, 2019, 2020	3	2015, 2018, 2019
Bath Soak	61	2015, 2016, 2017, 2019, 2020	7	2015, 2021
Hand and Body Cream	58	2015, 2016, 2017, 2019, 2020	15	2015, 2016, 2017, 2020, 2021
Lip Salves	51	2015, 2016, 2018		
Bath Salts	6	2015		
Lip Balm	45	2016, 2017, 2019, 2020		
Arnica Cream	18	2016, 2017	8	2015, 2016, 2017, 2018
Muscle Ease Gel	9	2016, 2017, 2019	6	2016, 2017, 2019
Body Cream	12	2018		
Arnica Sport			27	2015, 2016, 2017, 2018, 2019, 2020
The Full Yard (set of hand wash, bath soak and hand and body cream)			9	2015, 2016, 2018, 2019, 2020
Muscle Massage Oil			2	2015, 2016
Itchy Horse Shampoo			5	2015, 2016, 2017, 2018
Bath Milk and Hand Wash Duo			1	2015
Itchy Dog Shampoo			2	2016
Wound Gel			1	2017
Lavender Cream			1	2017
Bath Soak and Hand Wash Duo			2	2021
Lavender Face Cream			1	2021

40. In terms of promotional material, the evidence includes a reproduction of a three-fold leaflet used in 2012:¹⁵



41. The applicant also advertised the Naked Horse business in the Sussex Polo Newsletter dated 18 January 2012.¹⁶ The roundel logo can be seen along with the following text. I have used initials in place of the name of the individual, who is not a party to these proceedings:

“Developed by our very own LH, this is a range of Natural Products for the horse and rider.

These are all hand-blended by L’s mother at her home in Cornwall.

They are 100% natural containing Pure Organic Essential Oils.

We say: ‘We adore the Yard Handwash and we think the Arnica Sport will be perfect for those aching muscles at the start of the season!’

Take a look at www.nakedhorse.co.uk”

¹⁵ Exhibit SH13.

¹⁶ Exhibit SH4.

42. Exhibit SH11 contains email correspondence dated 3 July 2013 discussing the offering of a Naked Horse gift bag containing hand cream and soap (or similar) as a prize at an event for Sussex Polo Club.

The letters adduced by the applicant

43. Ms Horswill states that NAKED HORSE is very well known for what it does and refers to correspondence from four individuals as supportive of this claim.¹⁷ These are dated 9 June 2024, 18 June 2024 and the last two are undated. It is clear that the first two at least were produced to assist in these proceedings. The first of the letters concerns the development of the applicant's NAKED HORSE business and branding in the period 2005-2016. The writer has little specific to say about the applicant's trading. The second is from The Horse Diva, and the writer says that they have stocked the applicant's products since 2016, but gives no concrete information on the particular product stocked or volumes sold. The third writer says that they have been a customer for over 10 years and states that there is another website that could be confusing. The fourth is from the owner of Sussex Polo Club and states that the club has worked with the applicant's business from 2012 to 2016.

44. Professor Johnson submitted that these letters were inadmissible, as they were not in the form of a witness statement containing a statement of truth. Section 4.8.10 of the Tribunal Manual says that:

"Parties to proceedings have on occasions solicited letters from third parties for the purpose of the proceedings, rather than getting the third party to file evidence by witness statement, affidavit or statutory declaration. These are often headed 'to whom it may concern', or, in some cases, are addressed directly to the Tribunal. Such letters will be treated as hearsay evidence. Parties are encouraged to present such evidence in the form of a witness statement rather than in the form of a letter if they wish to rely on it. A signatory to a witness statement, who can be cross examined, is likely to exercise greater care and precision than a signatory to a letter."

¹⁷ Second witness statement of Mrs Horswill, paragraph 16.

45. Following this practice, I do not deem the letters inadmissible but shall treat them as hearsay evidence. In estimating the weight to be given to this evidence, I remind myself of section 4 of the Civil Evidence Act 1995, which is as follows:

“(1) In estimating the weight (if any) to be given to the hearsay evidence in civil proceedings the court shall have regard to any circumstances from which any inference can reasonably be drawn as to the reliability or otherwise of the evidence.

(2) Regard may be had, in particular, to the following:

(a) whether it would have been reasonable and practicable for the party by whom the evidence was adduced to have produced the maker of the original statement as a witness;

(b) whether the original statement was made contemporaneously with the occurrence or existence of the matters stated;

(c) whether the evidence involves multiple hearsay;

(d) whether any person involved had any motive to conceal or misrepresent matters;

(e) whether the original statement was an edited account, or was made in collaboration with another for a particular purpose;

(f) whether the circumstances in which the evidence is adduced as hearsay are such as to suggest an attempt to prevent proper evaluation of its weight.”

46. While I have no reason to believe that any of the writers intended to misrepresent the position, or that the letters were produced in collaboration with another person, I consider that it would not have been impracticable for the writers of the letters to have filed witness statements. I shall therefore accord them lesser weight in my assessment.

Assessment

47. I must decide whether the applicant has shown a small goodwill (which the law will protect) or only a trivial goodwill (which it will not).

48. In *Smart Planet Technologies, Inc. v Sharma (Recup Trade Mark)*, BL O/304/20, Mr Thomas Mitcheson QC, sitting as the Appointed Person, reviewed the following authorities about the establishment of goodwill for the purposes of passing-off: *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2015] UKSC 31, paragraph 52, *Reckitt & Colman Product v Borden* [1990] RPC 341, HL and *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd* [1980] R.P.C. 31. After doing so, he concluded that:

“34. ... a successful claimant in a passing off claim needs to demonstrate more than nominal goodwill. It needs to demonstrate significant or substantial goodwill and at the very least sufficient goodwill to be able to conclude that there would be substantial damage on the basis of the misrepresentation relied upon.”

49. In that case, the evidence adduced to prove goodwill amounted to 10 invoices to two customers, totalling €3,230 for around 40,000 single-use cups in a market of 2.5 billion cups a year. The case was cited by Professor Johnson, along with *Stannard v Reay* [1967] RPC 589 and *Lumos Skincare Limited v Sweet Squared Limited & Ors* [2012] EWPC 22, as cases dealing with the question of the protection of small level of goodwill. He had calculated that the levels of sales at issue in *Stannard v Reay* and *Lumos* were considerably higher in real terms than those shown in the applicant's evidence.¹⁸ Mr Smith submitted that, as passing off cases are fact-dependent, it was difficult to apply earlier case law to the present set of circumstances. However, I consider that the Appointed Person was making a broader point in *Recup* that followed from his consideration of the principles set out in the authorities listed above. That said, the assessment of whether the goodwill is sufficient to support a passing off claim must take account of all the relevant facts. For example, in *Recup* one of the considerations was that the sign was very low in distinctiveness for a recyclable cup.

¹⁸ See paragraphs 19-20 of the proprietor's skeleton argument. According to Professor Johnson, the total sales in *Stannard v Reay* were the equivalent of around £7,400 in 2020 and in *Lumos* the equivalent of £13,100 per quarter in 2020 money.

50. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J said:

“27. 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.

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.”

51. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J (as he then was) 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.”

52. The applicant has claimed goodwill in relation to a range of goods and services, which are set out in paragraph 6 of this decision. The turnover is not broken down by particular goods or services. I accept that I am not required to look at the evidence in the same level of granularity as I would were I to be assessing the use made of a trade mark: see *Mercis B.V. v Bunnyjuice Inc*, BL O/0064/24, paragraphs 54-60. That said, I must be able to ascertain the nature of the business. I have already referred to statements made by Mrs Horwill. Sometimes she describes her business as that of selling natural products for horse and rider, while at other times she refers generally to goods and services. I am therefore left in some doubt as to the nature of the business. The only evidence that any services were sold is a single invoice dated 19 August 2023 from Cornish Apothecary to Sussex Polo Club recording the supply of services to a value of £70.00. The identity of Cornish Apothecary is not clear; neither can it be reasonably inferred that the services were supplied under any of the signs that are relied upon. The invoices show the sale of cosmetic and massage products intended for use on horses, dogs, humans or both humans and animals. However, they also show that postage and packaging costs were charged on at least some of the orders. These postage and packaging costs are relatively significant when compared with the cost of the goods. Mrs Horwill does not say that the turnover figures relate only to UK sales or that they only cover the goods themselves. Consequently, I find it likely that the value of the sales of goods is lower than shown in the turnover figures but I am unable to make any firm findings on this point. I also note that there are no turnover figures for the years 2019-2021, but I accept that some sales were being made as there are invoices from this period.

53. In a multifactorial assessment such as this, low sales figures need to be weighed against other factors, such as the nature of the market, patterns of custom, and evidence of promotional and marketing activity.

54. Mr Smith argued that the applicant was operating in a niche market. He also submitted that the evidence showed a consistent pattern of trading and some repeat

customers. I have noted several business-to-business sales to The Horse Diva, and the invoices show four repeat customers:¹⁹

Customer	Dates of Invoices
PW	01.12.2015, 20.03.2016, 13.10.2016, 18.11.2017, 15.05.2020, 02.08.2021
SS	18.12.2015, 14.11.2016
MS	20.12.2015, 13.12.2016
AD	14.03.2017, 07.10.2017

There is no evidence that three of these customers made any purchases after 2016 and 2017.

55. The evidence shows that The Horse Diva placed orders on 31 October 2015, 14 November 2016, 5 December 2016, 11 September 2017, 3 November 2017, 29 November 2018, 28 January 2019 and 1 July 2020, all being before the relevant date. The products ordered and quantities are shown under “Wholesalers” in the table in paragraph 40 above.

56. The evidence of promotional activity is sparse. It amounts to a single advertisement in the Sussex Polo Club Newsletter in 2012, the offering of a prize at a 2013 event run by the club, a leaflet from 2012, attendance at events in 2012 and 2016, a shop in East Grinstead that Mrs Horswill recalls is likely to have operated between 2012 and 2015, and the website. I accept that the website was available between 2012 and 2021. There are screenshots for the years 2013, 2014, 2016, 2017, 2018, 2019 and 2022, and Mrs Horswill confirms that the website was also operational between 2005 and 2012, and in 2015, 2020 and 2021.²⁰ However, there is no information on how many times the website was accessed over this period.

57. Goodwill has proved notoriously difficult to describe as a concept. Professor Johnson compared it to a leaky bucket, in need of constant refilling.²¹ Even if I return to the classic description from the House of Lords, cited in paragraph 26 above, it is, I consider, inherent in the nature of a “force” that it may weaken or strengthen over time. I am required to assess the level of goodwill at a particular point in time, and in this respect it differs from proof of use of a trade mark, where the proprietor has a five-year

¹⁹ See the Annex to this decision for the full summary table.

²⁰ Second witness statement, paragraph 6.

²¹ Transcript, page 13.

period in which it can show that it has made genuine use of the mark. I therefore agree with Professor Johnson that the effect of activities that generate goodwill may dissipate over time.

58. Taking all these factors into account, I find that the applicant has not shown more than nominal goodwill. A significant factor in my making this finding is the lack of specificity about the extent of the use of the sign on particular products. The goods shown cover a range of different cosmetic products, none of which are particularly expensive, and not all of them can be said to belong to a niche market. Mr Smith accepted that the market for products intended for humans would be larger than that for products for use on horses, but argued that, even so, the market for vegan and hand-made products is a smaller market than for those goods generally.²² I have only two instances of repeat customers after 2017, and no turnover figures after 2018, and the evidence of promotional activity is extremely limited.

59. The section 5(4)(a) claim fails at the first hurdle.

Section 3(6)

60. Section 3(6) of the Act is as follows:

“A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

61. The applicant’s bad faith claim is that the proprietor must have known of the applicant’s use of the earlier signs. Mr Smith conceded that, if the section 5(4)(a) claim failed, the section 3(6) claim would also fail. I therefore dismiss this ground.

OUTCOME

62. The cancellation applications have failed and, subject to a successful appeal, UK Registration Nos 3733126 and 3733133 shall remain registered.

²² Transcript, page 12.

COSTS

63. The proprietor has been successful and is entitled to a contribution towards the costs of these proceedings in line with the scale set out in Tribunal Practice Notice No. 1/2023. I have calculated the award as follows:

£350 for preparing statements and considering the other side's statements;

£1000 for preparing evidence and considering and commenting on the other side's evidence;

£500 for preparing for and attending the hearing

£1850 in total

64. My award for preparing and considering the statements is less than two sets of the scale minimum for this task. This is because there was considerable duplication in the content of the statements. I have also made a fairly low award for preparing and attending the hearing. I have done so to take account of the fact that the applicant was put in the position of filing a supporting skeleton argument on procedural points relating to the arguments in Professor Johnson's skeleton that were not pursued at the hearing.

65. I therefore order Sandra Carol Horswill to pay Acti Group LLC the sum of £1850. This sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 19th day of November 2025

Clare Boucher

For the Registrar,

Comptroller-General

ANNEX

The table below summarises the sample invoices in Exhibits SH21 and SH22. The costs shown do not include postage and packaging, which are charged on some of the invoices. I have also not included sales that have already been shown in Exhibit SH15 and sales to customers outside the UK. I have also removed any repetition between the exhibits.

Date	Customer and Location	Products	Value (£)
22.04.2015	Unknown	Itchy Horse Shampoo (1)	12.95
21.09.2015	Unknown	Itchy Horse Shampoo (1)	12.95
11.10.2015	AW, Durham	Arnica Sport (1)	12.95
01.12.2015	PW, not given	The Full Yard (" <i>Full kit of luxury for country folk</i> ") (1), Yard Hand and Body Cream (1), Yard Hand Wash (1)	41.00
01.12.2015	CC, Cambridgeshire	Yard bath Soak (1), Muscle Massage Oil (1)	11.00
01.12.2015	HO, Devon	The Full Yard (1)	24.00
08.12.2015	NN, Tyne & Wear	The Full Yard (1)	28.00
12.12.2015	LA, Aberdeenshire	Yard Bath Soak (1), Itchy Horse Shampoo (1)	25.00
18.12.2015	SS, Oxfordshire	Yard Hand and body cream (1)	12.50
20.12.2015	MS, Somerset	Arnica Sport (1)	12.95
22.12.2015	RS, Manchester	Arnica Cream (1)	10.50
28.12.2015	AK, Aberdeenshire	Bath Milk & Hand Wash Duo (1)	19.95
08.01.2016	LM, North Yorkshire	Organic Arnica Cream (1)	12.95
20.03.2016	PW, Hampshire	Yard Hand and Body Cream (2)	25.00
27.05.2016	CR, South Yorkshire	Itchy Dog Shampoo – Calming, soothing for sensitive, itchy, dry skin by Naked Horse (2)	21.90
14.06.2016	MM, Cumbria	Itchy Horse Shampoo – Cruelty Free/SLS/Paraben free by Naked Horse (2)	25.90
03.07.2016	Krav Maga Store UK, Reading	Organic Arnica Cream (1)	9.00
25.08.2016	CP, Notts	Yard Hand and Body Cream (1), Arnica Cream (1)	23.00
13.10.2016	PW, Hampshire	Yard Hand and body cream (2)	25.00
13.10.2016	KH, Kent	The Full Yard (1)	28.00

Date	Customer and Location	Products	Value (£)
14.11.2016	The Horse Diva	Naked Horse Arnica Cream (3), Naked Horse Lip Salve (12), Yard Bath Soak (7)	91.50
14.11.2016	The Horse Diva	Yard Hand & Body Cream (10), Naked Horse Muscle Ease Gel (3), Naked Horse Lip Salve (12), Naked Horse Arnica Cream (3)	154.50
14.11.2016	JA, Lancashire	Arnica Sport (1)	10.95
14.11.2016	SS, Oxfordshire	Yard Hand and Body Cream (1), Arnica Sport (1)	23.00
29.11.2016	MNU, Bradford	Arnica Sport (1)	9.50
08.12.2016	SR, Avon	Naked Horse Muscle Ease Aloe Vera Gel (1)	15.95
13.12.2016	MS, Somerset	Arnica Sport – Fast Muscle Recovery Oil (1)	9.50
15.12.2016	JS, Cleveland	Arnica Cream (1)	10.50
15.12.2016	DM, Worcestershire	Arnica Sport – Fast Muscle Recovery Oil (1)	10.95
29.12.2016	RHC, Warwickshire	Muscle Massage Oil (1), The Full Yard (1)	32.95
15.02.2017	BH, Somerset	Arnica Sport Massage Oil (2), Naked Horse Muscle Ease Gel (1)	36.50
08.03.2017	GH, Middlesex	Itchy Horse Shampoo (1)	11.11
14.03.2017	AD, East Sussex	Arnica Sport-Fast Muscle Recovery Oil (1)	9.95
01.04.2017	SH, Kent	Arnica Sport-Fast Muscle Recovery Oil (1)	10.40
30.04.2017	SP, Hampshire	Organic Arnica Cream by Naked Horse (1)	12.95
10.05.2017	CT, Cornwall	Naked Horse Wound Gel (1)	18.00
17.05.2017	GH, Notts	Arnica Sport-Fast Muscle Recovery Oil (1)	10.00
08.06.2017	SP, unknown	Muscle Ease – aloe vera & seaweed gel (1)	15.50
22.07.2017	KB, Isle of Wight	Calming-Soothing-Organic Lavender Cream by Naked Horse	8.50
24.07.2017	NS, West Sussex	Arnica Sport-Fast Muscle Recovery Oil (1)	12.95
20.08.2017	JS, Herefordshire	Arnica Sport-Fast Muscle Recovery Oil (1)	11.00
11.09.2017	The Horse Diva	Hand and Body Cream (6), Bath Soak (6), Muscle Ease Gel (3), Arnica Cream (3)	136.50
07.10.2017	AD, East Sussex	Arnica Sport-Fast Muscle Recovery Oil (1)	11.00
18.11.2017	PW, Hampshire	Yard Hand and Body Cream (2)	25.00

Date	Customer and Location	Products	Value (£)
12.12.2017	CB, Cambridgeshire	Organic Arnica Cream (1)	12.95
02.04.2018	ACA, London	Arnica Sport-Fast Muscle Recovery Oil (1)	12.95
16.04.2018	CG, Kent	Arnica Sport-Fast Muscle Recovery Oil	12.95
01.06.2018	PB, Kent	Itchy Horse Shampoo (1)	15.95
02.11.2018	AW, Devon	Yard Hand Wash (1) ²³	10.95
12.11.2018	GP, Kent	Arnica Cream (1)	12.95
16.12.2018	LS, Worcestershire	Arnica Sport – For Muscle Recovery (6), The Full Yard (2)	121.70
28.01.2019	The Horse Diva	Yard Bath Soak (6), Yard Hand Wash (6), Yard Hand and Body Cream (6), Lip Balms (6), Muscle Ease Gel (3)	164.55
18.05.2019	SM, Oxfordshire	Muscle Ease – aloe vera and seaweed gel	15.50
30.07.2019	SC, Herefordshire	The Full Yard (1), Muscle Ease aloe vera & seaweed gel (1)	43.50
03.08.2019	FS, Somerset	Arnica Sport – For Muscle Recovery (2)	21.90
06.12.2019	HC, North Yorkshire	Muscle Ease – aloe vera and seaweed gel (1), Yard Hand Wash (1)	26.45
08.03.2020	DH, Somerset	Arnica Sport – For Muscle Recovery (2)	21.90
15.05.2020	PW, Hampshire	Yard Hand and Body Cream (2)	25.00
19.05.2020	CB, Rutland	Yard Hand and Body Cream (1)	12.50
24.12.2020	AG, Cheshire	The Full Yard (1)	28.00
08.01.2021	PC, Essex	Yard Bath Soak (2)	21.90
30.01.2021	VS, Cornwall	Bath Soak & Hand Wash Duo (1), Lavender Face Cream (1)	29.45
09.02.2021	LB, Essex	Bath Soak & Hand Wash Duo (1), Yard Bath Soak (1)	30.90
10.02.2021	MP, Oxfordshire	Yard Bath Soak (1)	10.95
02.08.2021	PW, Hampshire	Yard Hand and Body Cream (2)	25.00
27.09.2021	AT, Tyne & Wear	Yard Bath Soak (1)	10.95

There is also incomplete information for orders dated 9 December 2015, 30 January 2018. There is no information on the goods or services that were supplied. I also note

²³ Other goods are also likely to have been purchased as the total amounted to £66.90. However, only the first page of the order is exhibited.

an undated order from a customer in South East England for The Full Yard and Bruise Ease gel.²⁴

²⁴ Exhibit SH22, pages 71-72.