



Neutral Citation No. [2020] EWHC 2078 (Ch)

Claim No: HC-0217-001762

**IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
INTELLECTUAL PROPERTY LIST (ChD)
INTELLECTUAL PROPERTY**

B E T W E E N:

TURBO-K LIMITED

Claimant/Part 20 Defendant

-and-

(1) TURBO-K INTERNATIONAL LIMITED

First Defendant/Part 20 Claimant

(4) RONY ROSELLI

Fourth Defendant

-and-

OLIVER HARALD PLATZ

Fourth Party

THOMAS ST QUINTIN instructed by Stephenson Harwood LLP for the
Claimant/Part20 Defendant and for the Fourth Party

RONY ROSELLI (in person) for himself as the Fourth Defendant and for the First
Defendant/Part20 Claimant

Hearing conducted remotely
Hearing dates: 15th - 17th June 2020

JUDGMENT

Nicholas Caddick Q.C. (sitting as a Deputy High Court Judge):

Introduction

1. In this action, the Claimant, Turbo-K Limited (“TKL”) claims that Turbo-K International Limited (“TKIL”, the First Defendant) and Mr Roselli (the Fourth Defendant, who is now TKIL’s sole director) are jointly and severally liable for various acts of passing off relating to TKIL’s use of the “Turbo-K” name and logo. TKL also seeks a declaration that TKIL’s UK trade mark No.2582207 for “TURBO-K” is invalid because of TKL’s prior rights in that mark and because TKIL’s application to register the mark was made in bad faith.
2. TKIL and Mr Roselli deny passing off. TKIL asserts that its registered trade mark is valid and that it has been infringed by TKL. TKIL also makes an additional claim that the Fourth Party (“Mr Platz”, who is now the sole director of TKL) is jointly liable for TKL’s infringements of that trade mark.
3. There were, formerly a number of other parties to the action. However, the claims against them have been settled and they have taken no further part in this action, either as parties or as witnesses.

The Witnesses

4. In the course of the trial, I heard evidence from Mr Platz and Michail Tsomos on behalf of TKL. In the event, Mr Tsomos’ evidence was not challenged and I accept it. Mr Platz was an impressive witness. He understood the questions that he was being asked and his answers to them were considered, sensible and balanced. Indeed, Mr Roselli in closing stated that he did not seek to criticise Mr Platz as a witness although, inevitably, there were aspects of Mr Platz’s evidence with which he disagreed. I have no hesitation in accepting that Mr Platz was an honest witness trying his best to assist the court.
5. Mr Roselli was the sole witness for TKIL and for himself. In his closing submissions, Mr St Quintin for TKL referred to aspects of Mr Roselli’s evidence which were, he said, deserving of criticism. However, I do not think that Mr St Quintin was right in saying that Mr Roselli was not a good witness of fact. I think allowances must be made for the fact that Mr Roselli was a litigant in person trying to give evidence about matters within his personal knowledge (largely matters post 2010) as well as to argue a case involving facts that went beyond his personal knowledge (including much of what occurred before 2011). I also bear in mind that Mr Roselli was participating remotely by audio link only. In general, as set out below, I am happy to accept Mr Roselli’s evidence in relation to factual matters within his knowledge,

The facts

6. Turning to the facts, much of what I say in respect of the period up to 2011 is based on the evidence of Mr Platz and was not, for the most part, challenged by Mr Roselli who was not then involved in the business. However, insofar as the matters referred to

below are not agreed, then (save where the contrary appears) what I set out below are findings of fact that I make on the basis of the evidence adduced at trial.

The incorporation and naming of TKL

7. The dispute is between persons involved in the sale of fluids used to clean the compressor blades of gas turbines. Mr Platz was (and remains) a director of a company called FP Turbomachinery Consultants Gmbh (“FPT”) which he and Christian Faddegon founded in 1990. FPT acted as a sales agent or distributor for various manufacturers of compressor cleaning fluids, including one called Airworthy Ltd. (“Airworthy”). As a result, Mr Platz had become acquainted with Ken Winter, a director of Airworthy, and with Lorenzo Ermini and Carmelita Guarrera, the directors of an Italian company called Italproramar, another of Airworthy’s distributors.
8. In the summer of 1997, after Mr Winter had parted company with Airworthy, these individuals began to consider setting up a new company which would manufacture and sell its own compressor cleaning products. On 13 November 1997 Mr Platz, Mr Winter, Ms Guarrera and John Rae (an employee of Airworthy) had a meeting to discuss this. At Mr Winter’s invitation, Philip Stainer attended part of the meeting. Mr Stainer was a chemist with his own consultancy company, Lach Dennis Consultants Ltd (“LDC”). Mr Stainer assured them that he could formulate a new cleaning product for the new company and the parties agreed that, in return, Mr Stainer would have a 6 percent shareholding in the new company. It was also agreed that the other shareholdings would be 17.5 percent for each of Mr Winter and Mr Rae and 29.5 percent for each of Italproramar and FPT.
9. There was a further meeting on 11 December 1997. At this meeting, the parties agreed that Mr Stainer’s new formulation (when it was ready for testing, which was expected to be in mid-January 1998) should be sent to the leading manufacturers of gas turbine engines (known as the “OEMs”) so that it could be approved by them. At this meeting, the parties also agreed to Mr Platz’s suggestion that the new company should be called “Turbo-K Limited” and that the name of its new product would be “Turbo-K” (“the Name”). The letter “K” being chosen in honour of Ken Winter.
10. At some point, Mr Platz also designed a logo for the new company (with an alternative in a different font) as set out below.



In his witness statement, Mr Platz states that TKL started using this logo (which I will refer to as “the Logo”) in February 1999. However, it appears that it actually used somewhat earlier than that as it appears on a TKL invoice and marketing materials from September 1998. It continued to be used on TKL invoices and in most brochures and advertisements throughout the period covered by the evidence before me. I am told that it is still used by TKL today.

11. TKL was incorporated in England and Wales on 9 January 1998. Its two issued shares were registered in Mr Winter's name. However, in his instructions to the solicitors acting in the incorporation, Mr Winter made clear that he held those shares beneficially for the parties in accordance with what had been agreed at the meeting on 13 November 1997. Mr Winter was TKL's sole director on incorporation but on 21 May 1998 Mr Platz and Mr Faddegon were added as directors.

TKL's trading

12. It is unclear precisely when Mr Stainer (or LDC) finalised the new formulation of cleaning fluid. However, it is clear that TKL had commenced trading in a cleaner made to that formulation and called Turbo-K (the "Turbo-K Cleaner") by September 1998 at the latest. In this regard, I have seen a TKL invoice dated 28 September 1998 relating to a supply of Turbo-K Cleaner to a customer in Barcelona. I have also seen a TKL advertisement for the Turbo-K Cleaner in the September 1998 edition of Power Engineering International (a global power industry journal).
13. There are further TKL invoices from 1999 to 2014 evidencing TKL's continued sales of the Turbo-K Cleaner and of its use of the Name and Logo. These invoices show that sales were generally made "ex works UK" and were made to entities all over the world as well as (from 2001) in England and Wales. The majority of these sales appear to have been made to its distributors (e.g. FPT, Italproramar, Hydr8 and Castrol) which would then have made onward sales of those products. Between 1998 and July 2015, TKL's sales totalled some €2.6 million of which €830,000 was referable to UK customers including some based in England and Wales (Hydr8 and Castrol).
14. Significantly, all products sold (including those sold on by TKL's distributors) were branded as "Turbo-K" and were packaged as TKL products, manufactured by TKL. Moreover, I am told that every shipment of the Turbo-K Cleaner would have been accompanied by a Material Safety Data Sheet ("MSDS") containing safety information relating to that product. I have seen a version of the MSDS used from 2000 to 2014. Although readers of this particular MSDS were invited to contact FPT for more information, the MSDS bears the Logo and makes it clear that TKL is the manufacturer of the product. In my judgment, customers buying from TKL's distributors would have been in no doubt that those companies were acting as distributors of a TKL product.
15. I have also seen evidence of marketing for TKL using the Name and referring to the Turbo-K Cleaner. This marketing was in the form of brochures with a variety of dates in 1999/2000, 2004, 2006, 2007, 2008, 2009 and 2011 and of advertisements in power industry journals such as the May 1999 edition of Modern Power Systems, the March/April 2001 edition of Gas Turbine World and the July 2003 edition of International Power Generation. Further, I am told that TKL usually exhibited at annual trade shows in the USA, Europe and Asia which shows are well-known and well-attended, including by current and potential customers from England and Wales. Again, insofar as FPT (for example) attended a trade show marketing the Turbo-K Cleaner, the photographs of its stand show that it was acting as a distributor of Turbo-K, a TKL product.
16. In 2008, TKL launched a website written in English but aimed at customers from all over the world. Screenshots of this website as at 25 June 2010 and February 2015

show that the website used the Name and Logo and referred to the Turbo-K Cleaner as one of “OUR PRODUCTS”.

The OEM approvals

17. Having obtained the formulation for the Turbo-K Cleaner, TKL set about obtaining approvals for that product from the various OEMs. Mr Platz’s evidence was that most OEMs (and certainly the leading OEMs) have their own standards and quality requirements that a compressor cleaning product must meet before the OEMs will endorse its use on their turbines. As a result, Mr Platz explained, a turbine user is generally reluctant to buy a cleaning product unless that product has been approved by the OEM of the relevant turbine. One obvious concern being that the use of an unapproved product may affect the OEM’s warranty in respect of the turbine.
18. In the event, TKL (or, sometimes, according to Mr Roselli, TKL’s distributors) secured a number of OEM approvals for the Turbo-K Cleaner. These approvals and the dates on which they were obtained are listed in TKL documents (bearing the Logo) dated July 2003, 16 March 2007 and January 2011. The earliest approval was obtained (from Solar Turbines) on 11 June 1999 and was followed over the course of 1999, 2000, 2002, 2004, 2005, 2006 and 2008 by a series of further approvals from other OEMs for a variety of engines. These included approvals from key OEMs such as Siemens (both the UK and the Swedish entities), Rolls Royce (both the UK and US entities), General Electric (“GE”), Alstom and MAN Turbo. I am told that an approval by GE is generally regarded as the “gold” standard for turbine operators and as the most valuable approval to obtain. Unsurprisingly, the screenshots of TKL’s website mentioned above refer to the fact that TKL had obtained approvals for the Turbo-K Cleaner from GE, Rolls Royce and Pratt & Whitney.
19. In addition to TKL keeping a list of the approvals that the Turbo-K Cleaner had obtained, various OEMs also keep lists of the products that they recommend for use on their turbines. In this regard, Mr Platz produced lists from Siemens, GE, Alstom and MAN Turbo all of which list Turbo-K as a recommended product. Copies of such lists are made freely available to or are otherwise obtainable by turbine operators.

The CEFAS rankings

20. Environmental approval is also important to a business selling chemical cleaning products. Mr Platz told me that, as part of a UK government scheme called the Offshore Chemical Notifications Scheme (“OCNS”), a body called The Centre for Environment, Fisheries and Aquaculture Science (“CEFAS”) carries out tests of toxicity levels in chemicals intended for use and discharge in the offshore processing of petroleum. He explained that, once a chemical product has been tested, it is given a Hazard Quotient (“HQ”) which is used to rank the product, with “Gold” being the highest rank. Such ranking will then last for two years. Whilst a satisfactory CEFAS ranking is not strictly a requirement, without one, the permitted annual use volumes of a cleaning product that a company can sell are severely limited and offshore turbine operators in the UK are encouraged to use cleaners that have a CEFAS ranking.
21. On this basis, it was clearly significant that CEFAS gave the Turbo-K Cleaner a “gold” HQ ranking from, according to Mr Platz, the date of its launch. Mr Platz produced a copy of CEFAS’s “Ranked List of HQ Values for Completion/Workover Products” dated 2 November 2004 showing this gold HQ ranking and identifying TKL as the relevant company in respect of that product. Mr Platz told me that the

importance of the CEFAS ranking is demonstrated by the fact that some of FPT's customers contact FPT every two years to check that the Turbo-K Cleaner's gold ranking has been preserved.

TKL's manufacturing arrangements with Midland

22. It was never intended that TKL would itself manufacture the Turbo-K Cleaner. Instead, the intention was to find a toll manufacturer to make it for TKL. The manufacturer chosen by the parties was Sunil Pathak who was a friend of Mr Winter's and a director of a Birmingham based chemical manufacturer called Midland Chemicals Ltd ("Midland").
23. In his evidence, Mr Platz refers to an agreement dated 17 February 1999 (which he refers to as the "Secrecy Agreement"), between TKL and Midland and relating to the manufacture by Midland of the Turbo-K Cleaner for TKL. This agreement clearly formalised an earlier unwritten agreement although nothing, so far as I am aware, turns on that. The Secrecy Agreement provided for the secrecy "of the formulations, formulation alterations, mixing instructions and laboratory tests for Turbo-K Ltd products". It also provided that TKL would continue to provide Midland with the relevant formulation and instructions "in order that Midland ... may manufacture and package these products as and when Turbo-K Ltd requests and distribute them to such destinations as Turbo-K Ltd shall decide." The Secrecy Agreement also stated that the information was given to Midland "solely for the specific purpose of manufacturing Turbo-K Turbine Engine Cleaner ... for Turbo-K Ltd....".
24. In fact, it was LDC which provided Midland with the formulation. However, it is clear from the terms of Mr Stainer's letter to Midland dated 19 February 1999 that it did this as agent for TKL because in this letter Mr Stainer commented that he was sending the information "now that there is a proper Secrecy Agreement between Midland Chemical Ltd. and Turbo-K Ltd....". Whilst there was never a written agreement between LDC/Mr Stainer and TKL, it had (as mentioned above) been agreed from the start that, in return for providing TKL with the formulation, Mr Stainer would receive a 6 percent shareholding in TKL. Indeed, in a fax to Mr Winter dated 13 April 2000, Mr Stainer stated that "...the Legal Position is that Turbo-K Ltd are licensed to use the formulation in exchange for the benefit of a 6 percent holding in Turbo-K Ltd..."
25. Thereafter, Midland manufactured the Turbo-K Cleaner for TKL until, it appears, 2014 when, in view of the dispute between TKL and TKIL, it ceased to supply TKL.

The incorporation and activities of TKUK

26. The picture set out above is of TKL trading, both directly and through distributors, in the manufacture and sale of the Turbo-K Cleaner using the Name and the Logo from 1998 until, at least, 2014. However, it appears that during this period (on 9 February 2000) a company called Turbo-K UK Limited ("TKUK") was incorporated.
27. The background to the incorporation of TKUK is shrouded in mystery, not least because the persons involved have not given evidence in this action and there is little else by way of documentary evidence relating to TKUK. I have, however, seen a Confidentiality Agreement dated 21 March 2002 between LDC, TKUK and Midland ("the 2002 Confidentiality Agreement") signed by Mr Stainer for LDC, Mr Pathak for Midland and Mr Winter as director of TKUK. Under this Agreement:

- (a) TKUK is said to have marketing rights in the cleaning products made to LDC's formulation (clause 1),
- (b) LDC agreed to supply Midland with the formulation to enable Midland to manufacture and package the Turbo-K Cleaner as required by TKUK (clause 2), and
- (c) The information was said to be provided to Midland by LDC solely to enable Midland to manufacture TKUK's turbine engine cleaner for and on behalf of LDC and TKUK (clause 5).

These arrangements involving TKUK are clearly in conflict with the arrangements under TKL's 1999 Confidentiality Agreement with Midland and also with the agreement whereby Ms Stainer/LDC provided the formulation to TKL in return for a shareholding in TKL.

28. Mr Platz's evidence was that he did not know about this Agreement or, indeed, of TKUK's existence until much later (in March 2012), although he recalls that, in 2005, Mr Stainer had told him that Mr Winter was considering setting up a second UK company. Mr Platz says that he had assumed that any such new company would be intended to act as a UK distributor for TKL and, on this basis, he gave the matter no further thought. In cross-examination, Mr Roselli pressed Mr Platz on this. He suggested that the incorporation of TKUK had been due to a decision to shift the business from TKL to TKUK and that, as a director of TKL, Mr Platz must have known about this. However, I accept Mr Platz's evidence that this was not so and that he was not aware of any activities undertaken by TKUK. It is true that the words "From Turbo-K UK" can be seen in the header (for example) of faxes sent by Mr Winter, such as those sent to Mr Stainer on 12 June 2007 and to Mr Platz on 21 April 2009. However, it seems to me that such a header was perfectly consistent with Mr Platz's understanding that Mr Winter was responsible for marketing TKL in the UK and that any new company would be acting merely as a distributor for TKL. I do not see this as a basis for finding that Mr Platz was or should have been aware of the existence of a different company let alone of a company with rights that were directly contrary to those of TKL.¹
29. Further, there is no evidence that TKUK ever traded in respect of the Turbo-K Cleaner. I was shown no TKUK invoices, marketing materials or correspondence. Indeed, TKUK's company accounts were for the most part abbreviated accounts with no profit and loss account and with balance sheets showing minimal assets.² The

¹ In his suggested corrections to a draft of this judgment, Mr Roselli maintained that Mr Platz had known of TKUK's existence and he referred to a fax apparently sent by Mr Winter to Mr Platz and Mr Faddegon on 17 January 2000. This fax, if received by Mr Platz, certainly suggests that he was informed of an intention to form a second company well before his conversation with Mr Stainer in 2005. As Mr Platz was not taken to this document in cross examination, I do not have Mr Platz's explanation. More importantly, I do not see how this fax really assists Mr Roselli. In it, Mr Winter refers to his intention to form the new company as it would allow him to act "as a distributor in the UK buying my supplies from [TKL]...". So, even if it had come to Mr Platz's attention, it would not have alerted him to the existence of a company with rights conflicting with those of TKL. Rather the opposite. In saying that the proposed new company would be a distributor for TKL, it supports the continued existence of TKL's rights. It does not, therefore, undermine the credibility of Mr Platz's evidence.

² In his suggested corrections, Mr Roselli argued that it had been agreed that these documents, having been produced after the deadline for disclosure, would not be used at trial. This is not correct. In the course of closing submissions I ruled that TKL should be permitted to adduce these documents. But, in any event, I cannot see how the exclusion of these documents would assist Mr Roselli. It was his case that rights in the Name had been transferred to TKUK. Whether or not these documents are excluded, the point remains that there was no evidence of TKUK ever having traded let alone of any transfer of rights to it.

exceptions were its accounts for the year to 30 June 2001 which showed a turnover of £130 and its accounts for the year to 30 June 2004 which showed a turnover of £10,000. By contrast, as set out above, TKL continued trading throughout this period, supplying, marketing and obtaining approvals in respect of the Turbo-K Cleaner.

30. Moreover, it is clear that none of the persons who signed the 2002 Confidentiality Agreement thought that TKUK had actually acquired any rights or had supplanted TKL as the main trading entity in respect of the Turbo-K Cleaner. For example:
 - (a) Mr Winter clearly continued to regard the Turbo-K Cleaner as a TKL product as evidenced by the fact that, on 8 January 2003 (less than a year later), acting as Executive Director of TKL, he signed an agency agreement permitting BP International Marine “to sell **TKL** products specified in the enclosure” (emphasis added). The enclosure specified the Turbo-K Cleaner.
 - (b) When, on 16 July 2004, Mr Stainer wrote to Mr Faddegon (copying in Mr Platz and Mr Winter) complaining about the level of sales of the Turbo-K Cleaner, he said nothing about TKUK but noted, instead, that “We at LDC have given Turbo-K Ltd exclusive rights to our formulation for well over 5 years now...” and that LDC “continues to give Turbo-K Ltd exclusivity...”.
 - (c) On 3 March 2005, Mr Pathak wrote a letter “To Whom It May Concern” stating that Midland had been manufacturing Turbo-K since early 1998 and that finished batches were “filled as required by Turbo-K Ltd”.

None of these persons mentioned the existence of TKUK let alone suggested that TKUK had any rights in the Turbo-K name and product contrary to the rights of TKL.

31. Mr Platz’s evidence (which I accept) is that he only became aware that TKUK had actually existed when Mr Stainer, in an email of 18th March 2012, informed him that it was a company that had been set up by Mr Winter and in which Mr Stainer was supposed to have had an interest.³ However, consistently with the facts that I have set out above, Mr Stainer went on to assert that, so far as he was aware, TKUK had never traded and, that within 18 months, Mr Winter had told him that it was defunct.
32. In the event, TKUK was dissolved in 2010.

The introduction of Mr Roselli and Roselli Chemicals Inc.

33. Mr Roselli first became involved with the Turbo-K business in mid-December 2010 when he was approached by Mr Pathak acting on behalf of Mr Winter. Mr Roselli’s evidence is that Mr Pathak told him that Mr Pathak’s company (Midland) was the exclusive manufacturer of the Turbo-K Cleaner that Mr Winter and Mr Pathak were trying to sell and that, with declining sales, they were keen to open up new markets using Mr Roselli (or rather his company, Roselli Chemicals Inc. “RCI”) as a distributor.
34. As a result of these discussions a draft Distributor Agreement was produced bearing the date of 31 January 2011 and, after some revisions, was signed by Mr Roselli (for RCI) on 10 February 2011 and by Mr Winter (for TKL) on 4 March 2011. The Agreement was expressed to be between TKL and RCI and under its terms:

³ The fax of 17 January 2000 referred to in footnote 1 above, even if it had come to Mr Platz’s attention (which, as the fax was not put to Mr Platz in cross examination, is unclear), was simply a statement by Mr Winter of an intention to set up a new company (to act as a distributor for TKL).

- (a) TKL appointed RCI “an authorised exclusive distributor of [TKL’s] line of gas turbine cleaning products Turbo-K...” (clause 1(a)) and
- (b) TKL granted RCI the right to represent that it was a Master Distributor of Company Products” but “[a]ny other use by the Distributor of the trademark ‘Turbo-K’ or any other trademark owned by [TKL] must be in a form and format approved by [TKL]...” (clause 3).

Accordingly, it is clear from this Agreement that Mr Roselli’s dealings were with TKL and were on the basis that the Turbo-K Cleaner was a TKL product and that the “Turbo-K” name was a trade mark owned by TKL. Indeed, in cross examination, Mr Roselli readily accepted that, at that time, it was his understanding (based on what he had been told by Mr Winter) that TKL owned the trademark “Turbo-K”.

- 35. Consistently with this, Mr Roselli said that Mr Winter told him that Midland was the manufacturer of the Turbo-K Cleaner and supplied it to him and TKL. Similarly, in a letter “to whom it may concern” dated 10 February 2011 and sent to Mr Roselli, Mr Pathak stated that Midland was “the authorised exclusive manufacturer and supplier of Turbo-K to Turbo-K Ltd.”.
- 36. There is nothing to suggest that Mr Platz was involved in the dealings between TKL and RCI/Mr Roselli. Indeed, Mr Platz’s evidence was that he only found out that RCI had been taken on as a distributor when he received an email on 9 March 2011 sent by Mr Pathak on behalf of Mr Winter. It is perhaps surprising that Mr Platz had not been informed earlier of RCI’s involvement. However, as that involvement was as a distributor for TKL, there was no particular reason for Mr Platz to be concerned.

The incorporation and activities of TKIL

- 37. TKIL was incorporated in England and Wales on 18 May 2011. Its original shareholders were Mr Pathak and RCI (each with a 30 percent shareholding) and Mr Stainer/LDC and Mr Winter (each with a 20 percent shareholding). Its directors on incorporation were Mr Winter, Mr Pathak, Mr Roselli and Mr Stainer (who is, however, shown on later Companies House documents as having been appointed and having resigned on that same day). In other words, in contrast to the position with TKL, the participants in TKIL did not include FPT (i.e. Mr Platz and Mr Faddegon) or Italprorammar.
- 38. A few days later, on 23 May 2011, TKIL applied to register the Name (“Turbo-K”) as a UK trade mark in respect of goods in Classes 1 and 3 including gas turbine compressor cleaning fluid. The registration was completed on 9 September 2011 with TKIL being registered as proprietor of the trade mark.
- 39. On 17 June 2011, TKIL entered into the following agreements:
 - (a) An agreement with LDC whereby LDC granted TKIL an exclusive worldwide licence to make, use and sell turbine cleaners based on LDC’s formulation;
 - (b) An agreement with Midland whereby Midland was to manufacture Turbo-K products for TKIL; and
 - (c) An agreement with RCI whereby it appointed RCI an exclusive distributor of its Turbo-K products;

40. Again, the rights and arrangements envisaged under these agreements were clearly in conflict with TKL's rights under its 1999 Confidentiality Agreement with Midland, with the agreement whereby LDC/Mr Stainer agreed to supply its formulation to TKL in return for a 6 percent shareholding in TKL and with RCI's Distributor Agreement with TKL. On this basis, the arrangements with regard to TKIL can only be seen as an attempt to substitute TKIL for TKL as the entity principally entitled to trade in the Turbo-K Cleaner. However, as mentioned above, TKL continued to make supplies in the period between 2011 to 2014 when Midland ceased to provide it with the product to sell.
41. As regards TKIL's subsequent activities:
- (a) I was shown materials including brochures and pages of a website for TKIL. These marketed the Turbo-K Cleaner under TKIL's name and using the Logo. I assume that this marketing started in 2011 or 2012, given Mr Roselli's evidence that in 2013 he changed the brochures and website. I assume that he was referring to the modified logo identified in the Amended Particulars of Claim which has the word "TURBO-K" in the same green colour but with the letter "O" in "TURBO" used to depict the fan of a turbine engine.
 - (b) The position as regards TKIL's sales of the Turbo-K Cleaner is unclear. There is no documentary evidence of such sales before April 2014. Indeed, TKL filed dormant company accounts in 2012, 2013 and 2014. However, Mr Roselli insisted that it had traded in this period and he blamed the lack of records on the fact that it did not have its own bank account and had had to rely on Mr Pathak (or Midland), who had failed to keep proper records or to produce proper accounts of TKIL's sales. This changed in early 2014 when TKIL opened its own bank account and I have seen TKIL invoices commencing on 16 April 2014 showing supplies of the Turbo-K Cleaner, "ex-works" (i.e. treated as delivered at the factory gates in this country), to RCI (a company based outside the UK) and to Hydr8 (not "ex-works" as it was based in this country). TKIL's accounts for the year to 31 March 2015 show a turnover of some £136,000.
 - (c) On 13 November 2014, TKIL applied for an EU trade mark for the word mark "Turbo-K" in classes 1, 3 and 35 for a wide range of goods and services. This application was opposed by TKL and, in so far as the application was for gas turbine cleaning fluid, it was rejected by the Opposition Division of the EUIPO on 20 September 2016 on the basis that TKL had prior rights in that mark when used in respect of the Turbo-K Cleaner. TKIL's appeals to the EUIPO Boards of Appeal and, thence, to the General Court of the European Union were dismissed on, respectively, 24 July 2017 and 17 January 2019.

The parties' roles in relation to TKIL

42. Mr Platz's evidence (which I accept) is that he was unaware of the intervention of TKIL until sometime later. It appears that, after Mr Winter died in January 2012, Mr Platz contacted Mr Stainer with a view to sorting out the future of TKL. Mr Stainer, in his email in response dated 16 March 2012, mentioned that Mr Winter, together with Roselli, Mr Pathak and Mr Stainer himself, had set up TKIL and that that had been the only way to get Mr Roselli "on board". He went on to tell Mr Platz that the manufacturing contract had been transferred from TKL to TKIL but to assure him that FPT would continue to be supplied. He explained that, given the position of TKL's

Italian shareholders (presumably Italprorammar) and the mystery over TKL's finances, he felt that this was the best that he could do and that the time had come for TKL to be wound up. He also mentioned that Mr Winter, on behalf of TKIL, had registered "Turbo-K" as a trade mark.

43. In his response, also dated 16 March 2012, Mr Platz made clear that he had been unaware of the setting up of TKIL and he asked why this new company had been set up and why FPT had not been involved in the decision.
44. Mr Stainer replied by email of 18 March 2012. He stated again that Mr Winter and Mr Pathak had been involved in setting up TKIL and that he had been kept at "arm's length" and had only been told about TKIL because he/LDC owned the formulation. This may be an attempt by Mr Stainer to downplay his involvement. The fact is that he (or LDC) was a shareholder in TKIL from the start and he may also have been a director (although for how long is unclear). Moreover, his concern at his lack of a financial return from TKL is clear from the documents (and is attested to by Mr Platz). Further, his email to Mr Pathak and Mr Winter of 23 May 2011 shows that he was party to discussions as to how they could trade in Turbo-K products "outside TKL". On the other hand, that email does not refer to TKIL, which is strange if he had been involved in its incorporation only a few days earlier. Further, in the email Mr Stainer comments that "[w]e must also make sure that the name TURBO-K is NOT registered in the name of [TKL] ..." which suggests that he was not aware that TKIL's application to register that name as a trade mark was to be (or had already been) filed that very day. I also note that he was not party to what was clearly an important meeting between Mr Roselli, Mr Winter and Mr Pathak in April 2011 (before TKIL was set up) nor to the TKIL meeting that took place by phone on 17 June 2011 (after TKIL was set up), although he did sign an agreement that day on behalf of LDC purporting to give TKIL exclusive rights to make products to his formulation.
45. Ultimately, for present purposes, I do not need to determine the extent of Mr Stainer's involvement in TKIL. What is more important is Mr Roselli's role. I will return to this later in this judgment when I deal with TKL's claim against Mr Roselli. For the time being, I would simply note that, from the date of incorporation until January 2012, Mr Roselli was a director of TKIL along with Mr Winter and Mr Pathak. On Mr Winter's death in January 2012, Mr Roselli and Mr Pathak continued as directors. Since Mr Pathak's resignation on 12 November 2019, Mr Roselli has been TKIL's sole director.

The proceedings in this country

46. I have already mentioned the proceedings regarding TKIL's application to register a European trade mark in respect of the Name. On 6 September 2016, TKL applied to the UK Intellectual Property Office ("the UKIPO") for a declaration that TKIL's UK trade mark was invalid. As this application was made (just) within 5 years from the completion of the registration of the mark (9 September 2011), the issue of acquiescence by TKL in TKIL's use of the mark does not arise. In the event, on 15 January 2018, the UKIPO directed that those proceedings should be transferred to the High Court for determination and the parties have agreed that the issues raised in the UKIPO proceedings should be resolved in the present action that was commenced by Claim Form issued on 14 June 2017.

The issues raised in the action

47. I turn therefore to the issues raised in the present action. They are:

TKL's claims:

- (a) Whether TKIL is liable to TKL for passing off;
- (b) Whether TKIL's UK trade mark is invalid (i) by reason of TKL's prior rights in the mark "Turbo-K" and/or (ii) because the application for registration of the mark was made in bad faith (see ss.5(4) and 3(6) of the Trade Marks Act 1994);
- (c) Whether Mr Roselli is personally liable for TKIL's acts of passing off;

TKIL's counterclaims

- (d) Whether TKL is liable to TKIL for infringement of its UK trademark; and
- (e) Whether Mr Platz is liable for any act of infringement by TKL.

48. There is a significant overlap in the issues that arise in relation to TKL's passing off and invalidity claims. However, as Mr St Quintin pointed out, one difference is the date by reference to which those claims are assessed (see *Advanced Perimeter Systems Ltd v Keycorp Ltd (Multisys Trade Mark)* [2012] RPC 14 per Daniel Alexander Q.C. (sitting as the Appointed Person) at [35] and [42]-[45]). In the present case, the relevant date for the purposes of the passing off claim is the date when the acts complained of commenced which, on the facts set out above, was 18 May 2011 when TKIL was incorporated with a name that clearly implied a threat to use the Name. By contrast, for the purposes of the invalidity claim, the relevant date for determining whether TKIL's application for registration of the mark was (i) liable to be prevented by reason of TKL's prior rights and/or (ii) made in bad faith was 23 May 2011, i.e. the date of TKIL's application for registration. On the present facts, as there are only a few days between the relevant dates, this difference is not material.

TKL's passing off claim

49. The test for passing off is well-known and is not in dispute. The three elements, as identified by the House of Lords in *Reckitt & Coleman v Borden Inc.* [1990] 1 WLR 491 and in numerous other cases, are:

- (a) Goodwill – TKL must establish that, at the relevant date, it had goodwill in England and Wales. This requires it to establish that, by reason of the identifying "get-up" under which its goods were offered to the public, those goods were associated in the mind of the purchasing public with TKL. In other words, that TKL would have been regarded as the source of such goods (see *Reckitt & Coleman* per Lord Oliver at p.499E-G). In *Inland Revenue Commissioners v Muller & Co.'s Margarine Ltd* [1901] AC 217 at 223-224, goodwill was described by Lord Macnaghten "*as the attractive force which brings in custom*";
- (b) Misrepresentation – TKL must show that TKIL has made a misrepresentation that the source of its goods was the same as those of the TKL (see *Reckitt & Coleman* per Lord Oliver at p.499H); and

- (c) Damage – TKL must establish that it has suffered loss or damage to its business or goodwill as a result of the erroneous belief engendered by TKIL’s misrepresentation (see *Reckitt & Coleman* per Lord Oliver at p.499H).

Goodwill

50. In my judgment it is clear from the facts set out above that TKL had acquired goodwill in the Name and Logo in England and Wales and that it had done so well before the relevant date in May 2011.
51. In this regard, the relevant facts are:
- (a) The marketing of the Turbo-K Cleaner by TKL and/or by persons acting as its distributors. This marketing involved the use of the Name and of the Logo. It commenced in 1998 and continued through 2011 and into (at least) 2014. It was in magazines and journals with a global audience (including in this country).
 - (b) The substantial sales by TKL of its Turbo-K Cleaner from 1998 until at least 2014. Although many of the invoices are in respect of supplies by TKL to its distributors (e.g. FPT, Italproramar, Hydr8 and Castrol), those still evidence substantial sales of TKL branded products such that the goods being supplied would have been taken to be TKL’s goods. Many of those sales were to customers based abroad but, as the sales were made “ex works UK”, I am satisfied that they establish the existence of goodwill in this country. In any event, there were also sales to customers based in England and Wales as from 2001.
 - (c) The OEM approvals (starting in 1999 and continuing) and the CEFAS ranking (first obtained in 1998 or 1999). The evidence establishes that these were matters of great significance to customers and, in my judgment, they added very significantly to the value and attractiveness of TKL’s “Turbo-K” brand. Mr Roselli argues that, on occasions, it had been TKL’s distributors (such as FPT) which had obtained such approvals. This appears to be correct. However, as they were acting as TKL’s distributors, the goodwill attracted by the approvals and rankings would still have been associated with TKL and with its Turbo-K Cleaner.
52. Against this, in its Defence, TKIL raised a number of points.
53. First, whilst TKIL admits that TKL had marketed and sold products from 1998 to 2002, its Defence asserts that any goodwill generated by TKL up to 2011 had been dissipated or abandoned. The basis of this assertion is that, after 2002, TKL ceased to be the exclusive supplier of products under the Name but had, instead, been one of a group of connected companies making and selling the Turbo-K Cleaner. These companies included (i) TKUK between 2002 and 2010, (ii) Midland between 2008 and 2012 and (iii) TKIL after 7 June 2011. I reject this argument. Even if there had been other suppliers of the Turbo-K Cleaner after 2002, there is no evidence to suggest that TKL had ceased trading using the Name and Logo let alone that it had abandoned its goodwill in them. Rather the contrary. As set out above, TKL continued to market and to sell the Turbo-K Cleaner using the Name and Logo throughout the period up to the relevant date in May 2011 and beyond. Indeed, only a few months

before that, Mr Roselli's company, RCI, had entered into a Distributor Agreement with TKL in respect of the Turbo-K Cleaner.

54. The assertion that TKL was no longer the exclusive supplier of products under the Name, ties in with TKIL's second pleaded point on goodwill. This is that "*By reason of the presence in the marketplace of both [Midland] and TKUK as distributors of the Formulation under the Name and the Logo, neither the Claimant, [Midland] or TKUK was the sole owner of any goodwill that exists in the Name or the Logo. All distributors of the Formulation share any goodwill that subsists in relation to the Name of the Logo. All distributors of the Formulation share any goodwill that subsists, such that neither the Name nor the Logo indicates a particular distributor*". In the alternative, the Defence asserts that the public would associate the Name and Logo with the formulation used for the Turbo-K Cleaner and with either TKUK, Midland or one of the distributors. I do not accept these arguments.
- (a) There is no evidence that TKUK ever traded in relation to any product bearing the Name or that it ever used the Logo. Indeed, Mr Roselli frankly admitted that he had no evidence of TKUK ever having traded. On this basis, I cannot see that TKUK had any claim to any goodwill in either the Name or the Logo.
 - (b) As regards Midland, there is no evidence of its having traded in its own right in the Turbo-K Cleaner in the period leading up to the relevant date in May 2011. Instead, the evidence all points to Midland's involvement being that of TKL acting simply as a manufacturer for TKL. Indeed, under its agreement with TKL dated 17 February 1999, Midland had agreed to use the information provided to it in relation to the formulation solely for the purpose of making goods for TKL. Further, as the products manufactured by Midland were packaged as "TKL" products, then if Midland had itself made any sales to the public, such sales would have been seen by that public as sales of TKL products by Midland as a distributor. In my judgment, whether Midland acted as a manufacturer or as a manufacturer and supplier, the goodwill in the Name (and Logo) would have been associated with TKL and would not have been shared with Midland.
 - (c) Even if TKUK and/or Midland had somehow acquired shared rights in the goodwill in the Name, it is hard to see how this assists TKIL given that TKIL does not assert (and there is no evidence to suggest) that any rights had ever passed from either TKUK or Midland to TKIL.
55. Accordingly, in my judgment, TKUK, Midland and the distributors acquired no shared goodwill in the Name or Logo and I do not accept that (as at May 2011) the public would have associated the Name and Logo with the formulation or with an entity other than TKL (unless it was an entity acting as one of TKL's distributors).
56. TKIL's third pleaded argument with regard to goodwill is that the goodwill in the Name was owned by LDC (the owner of rights in the formulation) and that in authorising TKIL to market and trade the formulation, LDC was also authorising TKIL to use the Name and Logo. I also reject this argument. In my judgment, as at May 2011, members of the public would not have associated the Name and Logo with LDC. There is no documentary (or other) evidence that LDC ever traded in or used or authorised others to use the Name or Logo. Rather, the evidence shows that the Name and Logo were created by Mr Platz for the new company and as the brand name for the product that that new company was to bring to the market. I do not accept that the

fact that LDC was supplying the formulation for that product meant that LDC had any rights in the name chosen by those incorporating the new company as its name and its brand.

57. The only document that contains any suggestion that LDC might have had some interest beyond that of the supplier of the formulation is an email that Mr Stainer sent to Mr Platz much later, on 18 March 2012. In this, he referred to TKL having rights in the Name but went on to say that:

*“as I see it, **Turbo-K Ltd and/or Lach Dennis Consultants Ltd between us do own the rights to: -***

- *The **Turbo-K LOGO***
- *The existing Turbo-K **CEFAS ACCREDITATIONS** ... (etc.)...”*

This is hardly a clear assertion of rights by LDC in the Name. Moreover, the rest of the documentation shows that the parties did not see the Name or Logo as belonging to LDC. For example:

- (a) If it had been thought that LDC owned the Name and Logo, one would have expected a grant of the right to use them to be included in LDC’s agreements with TKL, TKUK and TKIL. Instead, those agreements simply granted the right to use the formulation. For example, in its agreement with TKIL of 17 June 2011, LDC granted TKIL *“the right ... to make, use... (etc.) the Products”*. However, “Products” were defined only as cleaners (etc.) based in LDC formulations. The agreement nowhere referred to the Name or Logo. Indeed, Article VIII(5) provided that TKIL *“may not use in any way the name of [LDC] or any logotypes or symbols associated with [LDC] or the names of any researchers without the express written permission of [LDC]”*. The absence of any express written permission in respect of the Name and Logo, shows that LDC was not seen as owning them.
- (b) In other correspondence, Mr Stainer has asserted LDC’s rights in the formulation but has not suggested that LDC had any rights in the Name and Logo. See, for example, his emails to Mr Winter of 13 April 2000 and 23 May 2011. Nor did he object to TKIL’s registration of the Name as its trade mark.
- (c) By contrast, TKL has asserted rights in the Name. In, for example, its Distributor Agreement with RCI, it granted RCI the right to call itself a Master Distributor of TKL’s products but it provided that any other use of the trade mark Turbo-K “or any other trademark owned by TKL” must be approved by TKL.
58. During the trial, Mr Roselli did not press the arguments set out in the Defence with regard to the issue of goodwill, save for arguing that the Name was linked to the formulation on the basis that a person who produced a formulation must give that formulation a name. This does not seem to me to follow and, as set out above, there is nothing in the evidence to suggest that any of the parties saw the Name or the right to use it as being derived from LDC or Mr Stainer. Mr Roselli also relied on the fact that the OEM approvals and CEFAS certification were in respect of LDC’s formulation. However, those approvals and that certification were obtained for or on behalf of TKL in respect of its Turbo-K Cleaner made to that formulation. I cannot see how this gives LDC any rights in the Name.

59. Somewhat inconsistently, the main thrust of Mr Roselli's argument at trial was that the right to use the Name and (I assume) the Logo was in some way attached to Mr Winter. In this regard, he referred to Mr Winter as "*the key player*" and said that, given that the product was named after Mr Winter, (the letter "K" being a reference to "Ken"), he had believed that Mr Winter had the right to the Name and the Logo. He went on to argue that, as Mr Winter had been responsible for setting up TKUK and TKIL, and had signed their agreements with Midland and LDC, and had procured TKIL's registration of the mark, this meant that TKL's rights had ended (or had been "superseded" to use his word) when TKUK came on the scene and that TKUK's rights had, in turn, been superseded when TKIL was set up. It was not entirely clear whether Mr Roselli's case was that Mr Winter personally owned the Name and Logo and had himself granted these rights to TKL, TKUK and TKIL in turn, or whether it was that Mr Winter as a director of TKL had procured the transfer of those rights from TKL to TKUK and/or to TKIL, or whether it was that Mr Winter as a director of TKL had simply consented to TKUK's and/or TKIL's use of the Name and Logo. At another point in his closing, he accepted that TKL had had goodwill but argued that, as TKL had never registered the Name as a trade mark, its rights had been "trumped" by TKIL's registration.
60. As Mr St Quintin pointed out, these were not arguments apparent on the face of the Defence and, indeed, they are contrary to TKIL's pleaded case that TKIL's rights were derived from LDC. However, in my judgment, even if these arguments had been pleaded, I would reject them.
61. First, given the clear evidence of TKL's trading under the Name and Logo, I do not see how the public would have come to associate the Name and Logo with Mr Winter personally as opposed to with TKL (and Mr Winter acting as a director of TKL). In my judgment, it is clear that the goodwill to which that trading gave rise was TKL's goodwill and was not Mr Winter's.
62. Second, there is nothing in the facts to suggest that, in setting up TKUK and TKIL, Mr Winter was acting as a director of TKL so as to justify the conclusion that TKL was transferring its goodwill to TKUK or TKIL or consenting to their use of the Name and Logo. In this regard, TKL was not a party to any of the agreements involving TKUK or TKIL and it did nothing expressly or impliedly to suggest that it was giving up or transferring or granting any rights. In fact, far from Mr Winter's actions in relation to TKUK and/or TKIL being actions undertaken as a director of TKL, those actions were, effectively, an attempt to bypass and exclude TKL and some of its shareholders (FPT and Italproram), as evidenced by (for example) Mr Stainer's email of 23 May 2011 in which he referred to the plan to "*sell Turbo-K outside of Turbo-K Limited*". On any basis, Mr Winter's actions were not in the best interests of TKL.
63. It is also significant that in their Report sent to Mr Platz in November 2012, Dirk Winter, Mr Pathak and Mr Stainer did not suggest that TKIL's rights came from Mr Winter or TKL but, rather, that they were derived from LDC.
64. A further point raised by Mr St Quintin was that, as a matter of law, Mr Winter could not have procured TKL's consent to the transfer of its goodwill in the Name and Logo to TKIL. He submitted that:
- (a) Mr Winter was a director of TKL.

- (b) Mr Winter had a substantial shareholding (of either 20 percent or 30 percent) in TKIL such that that company was a person connected with him within the meaning of s.252 of the Companies Act 2006.
- (c) Under s.190(1) of the Companies Act 2006, a company “...*may not enter into an arrangement under which (a) a director of the company... or a person connected with such a director, acquires or is to receive from the company (directly or indirectly) a substantial non-cash asset...*”.
- (d) The goodwill that TKL had acquired in the Name and/or Logo was a substantial non-cash asset within the meaning of s.191 of the Companies Act 2006 in that it exceeded 10 percent of TKL’s asset value and was more than £5,000. In this regard, TKL’s filed accounts to 31 December 2010 showed net assets of £13,582 so, provided the value of what was given to TKIL was more than £5,000, this test would be satisfied. Mr St Quintin argues that that value far exceeded £5,000 given that TKL’s average turnover in the UK in the 10 years to 2011 had been €80,000.
- (e) On the facts, TKIL could not argue that TKL’s members had sanctioned Mr Winter’s actions. As set out above, FPT had no knowledge of them and, in any event, Mr St Quintin argues, citing *Prest v Petrodel* [2013] 2 AC 415 at [41], the shareholders of a company cannot validly consent to their appropriation of that company’s assets for purposes which are not that company’s.

- 65. I can see some force in this argument. However, as the point was not fully argued and was in response to an unpleaded claim which I have, in any event, rejected, I will not reach any concluded view on this particular argument.
- 66. Finally, if TKL had goodwill in the Name, then its rights were not “trumped” by TKIL’s registration if its rights gave it grounds for invalidating that registration.

Misrepresentation

- 67. Having concluded that TKL had the requisite goodwill in the Name and Logo, the next question is whether TKIL’s activities constituted a misrepresentation or threatened misrepresentation.
- 68. In my judgment, it is clear from the facts that I have set out above that TKIL has carried out the following actions constituting threatened or actual misrepresentations that the goods it was manufacturing, marketing and selling were goods connected with or derived from TKL:
 - (a) TKIL’s incorporation on 18 May 2011 using a corporate name that incorporated the Name and with the intention of trading in the same Turbo-K Cleaner;
 - (b) TKIL’s offering or exposing for sale and selling of the Turbo-K Cleaner under the Name and using the Logo or the substantially similar figurative signs identified in the Amended Particulars of Claim;
 - (c) TKIL’s entry into arrangements with Midland whereby Midland was to manufacture the Turbo-K Cleaner for it;

- (d) TKIL's application to register the Name as a UK trade mark for (inter alia) cleaning products for turbines and its subsequent application to register the Name as an EU trade mark;
 - (e) TKIL's marketing of the Turbo-K Cleaner, for example in its brochures and on its website, using the Name and the Logo or the substantially similar figurative signs identified in the Amended Particulars of Claim; and
 - (f) The use in TKIL's brochures and on its website of material and wording taken from TKL's brochures and website including, for example, the parts referring to the OEM approvals of the product by Rolls Royce, Pratt & Whitney and GE, the green trapezium shaped page indicator (derived from the Logo) and the green coloured image of gas-turbine blades that appear on the TKL website;
69. There is some evidence of confusion resulting from TKIL's activities. For example, in an email of 23 September 2014, a customer in Uzbekistan asked TKL for a quotation and copied in TKIL. In other emails exhibited to Mr Platz's witness statement and sent in 2013 or 2014, various customers in Europe, South America and Uzbekistan seem to have assumed that RCI and FPT were rival distributors of a product from the same source (as opposed to being distributors for products from different sources). Finally, in an email of 9 June 2015, a Lithuanian customer attached a photograph of TKIL's product but asked TKL for a quotation.

Damage

70. In my judgment, there can be no doubt that, as a result of these misrepresentations, TKL would have suffered damage to its business or goodwill.
71. Two (probably connected) points that concerned me were, first, whether TKIL could be liable in passing off as regards its sales to RCI given that that company and many of its ultimate customers are based outside this country and, second, whether anyone had really been misled given that TKIL's supplies appear to have been to its distributors (RCI and Hydr8) who presumably knew the difference between TKL and TKIL. However, I am satisfied that there is nothing in these points.
72. As to the first point, as I have mentioned, it appears that TKIL's supplies were made, in the case of RCI, "ex-works" from Midland's factory in Birmingham or, in the case of Hydr8, to a customer in this country. On this basis, the elements of passing off could be said to have arisen in this country.
73. As to the second point, the position is explained in *Wadlow's The Law of Passing Off* (5th ed) at para.4.20 as follows

"It has generally been accepted that the tort of passing-off is complete when the defendant disposes of goods which are calculated to deceive, even if the immediate recipient is a trader who is not himself deceived. This is despite the fact that no actual damage can normally be said to accrue until the infringing goods are sold to a customer who had intended to buy the goods of the claimant, which often will not be until the goods are purchased by the ultimate consumer. In particular, the numerous cases on "instruments of deception" being exported by the defendant to foreign markets are only consistent with the proposition that a cause of action for an injunction and for damages accrues on the disposal to a middleman (or even a carrier) in England,

notwithstanding that the actual passing off (in the factual sense of the term) occurs abroad. Indeed, no misrepresentation can really be said to be made and acted upon until the goods are put on the market in the foreign country, which is where the damage to the claimant's goodwill occurs."

74. Professor Wadlow returns to this at para.5-137 to 5-168 (see, especially, paras.5-137, 5-139 and 5-141) where he points out that cases involving the concept of "instruments of deception" are, to use his words, "not well integrated with the theoretical basis of the tort" but that, without that concept, manufacturers would rarely be liable for passing off. These paragraphs highlight the need to show that, in cases where the goods are for export, they are likely to deceive in the overseas market for which they are destined. They also highlight the possibility that the manufacturer and the distributor of the deceptive goods may be tortfeasors. At para.5-168, Professor Wadlow concludes:

"It is suggested that the only unambiguous application of the doctrine of instruments of deception is to complete goods which are inherently deceptive in their own right, and that the supplier of those goods is strictly liable for putting them into circulation, regardless of his state of mind. In the more authoritative of the older cases on instruments of deception, the defendant always issued or dealt in complete and fully packaged goods. Deception was always likely to arise from a name, mark or get-up which was already emblazoned on the goods when they left the defendant's hands."

75. In the present case, given the international nature of TKL's past marketing and sales, I am satisfied that the ultimate customers (persons buying Turbo-K Cleaner to clean their turbines), whether in this country or abroad, are likely to be deceived by the goods which TKIL (via its distributors) is putting on to the market using the Name and a logo that is very similar to the Logo. Indeed, I have already referred to instances of overseas customers being confused. Accordingly, in my judgment, the principles discussed in the passages of Wadlow to which I refer above apply to the present case.

Conclusion on passing off

76. For these reasons, I find that TKIL's acts described in paragraph 68 above constituted acts of passing off. TKL's passing off claim against TKIL, accordingly, succeeds.

TKL's invalidity claim; TKL's prior rights

77. Turning to TKL's invalidity claim. Under s.47(2) of the Trade Marks Act 1994, the registration of a trade mark may be declared invalid on the basis that there was an earlier right in respect of which the condition set out in s.5(4) of the Act is satisfied.

78. So far as relevant, s.5(4) of the Trade Marks Act 1994 provides that:

- (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented—
- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met.

.....

- (4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.
79. In this case, TKIL's trade mark was registered in respect of the following goods:
- Class 1 - Solvent-based cleaning preparations; solvent-based cleaning preparations for cleaning jet engines; solvent-based cleaning preparations for cleaning industrial machines; and*
- Class 3 - cleaning fluids; cleaning fluids for cleaning jet engines.*
80. In my judgment, by reason of the matters set out above, as at 23 May 2011 (the date of the application for registration), TKIL's use of the Name in respect of all of such goods was liable to be prevented by the rights that TKL had acquired in the Name (and Logo) prior to that date. The Names are identical and the goods included within the application for registration are either identical or are sufficiently similar to TKL's "Turbo-K" product that the use of the Name in relation to them was liable to be prevented under the law of passing off. On this basis, I find that TKIL's UK trade mark (No.2582207) is wholly invalid pursuant to s.5(4)(a) of the Trade Marks Act 1994.
81. I should note that this differs from the result in relation to TKIL's application for registration of the Name as an EU trade mark. There, TKIL's application was found to be only partially invalid and it was, therefore, allowed to proceed in part. However, the difference is because the application in the EUIPO was for registration of the Name as a trade mark in respect of a far wider range of goods (and services). In respect of some of those goods (e.g. chemicals used in photography, as well as in agriculture, horticulture and forestry etc.), it was found that there was no likelihood of deception. However, insofar as the application had been in respect of the sort of goods covered by the UK registration, the EUIPO Board of Appeal held that it should not be allowed to proceed to registration. This point was not the subject of appeal to the General Court.

TKL's invalidity claim – bad faith

82. Turning to TKL's other ground of invalidity. Under s.47(1) of the Trade Marks Act 1994, the registration of a trade mark may be declared invalid on the basis that it was registered in breach of s.3 of that Act.
83. TKL relies on s.3(6) of the Trade Marks Act 1994 which provides that:
- A trade mark shall not be registered if or to the extent that the application is made in bad faith.

The law

84. In *Chocoladenfabriken Lindt & Sprüngli AG v Franz Häuswirth GmbH*, Case C-529/07, [2009] ETMR 56, the CJEU gave guidance as to what constitutes bad faith for the purposes of Art.51(b) of the Regulation on Community Trade Mark, Regulation 40/94. It noted that a court should take into consideration all the relevant factors including, in particular:

- (a) Whether the applicant knew or must have known that someone else was using, in at least one Member State, an identical or similar sign for an identical or similar product capable of being confused with the sign for which registration is sought;
- (b) Whether it was the applicant's intention to prevent that third party from continuing to use such a sign; and
- (c) The degree of legal protection enjoyed by the third party's sign and by the sign for which registration is sought."

85. The law in this regard was also summarised by Arnold J in *Walton International v Verweij Fashions* [2018] ETMR 34 at [186]-[187] as follows:

"186. I reviewed the general principles concerning bad faith as a ground of invalidity in *Red Bull GmbH v Sun Mark Ltd* [2012] EWHC 1929 (Ch); [2013] E.T.M.R. 53 [2018] E.T.M.R. 34 911 at [130]-[138]. Leaving aside the question of the date of assessment ..., these may be summarised as follows:

i) A person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is the balance of probabilities, but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith.

ii) Bad faith includes not only dishonesty, but also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced people in the particular area being examined.

iii) The purpose of this ground of invalidity is to prevent abuse of the trade mark system. There are two main classes of abuse. The first is abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second is abuse vis-à-vis third parties.

iv) In order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case.

v) The tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct was dishonest (or otherwise fell short of the standards of acceptable commercial behaviour) judged by the ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry. (In this respect, the approach to be taken is consistent with that recently articulated by the Supreme Court in *Ivey v Genting Casinos UK Ltd* [2017] UKSC 67; [2017] 3 W.L.R. 1212.)

vi) Consideration must be given to the applicant's intention. This is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

"187 So far as the second class of abuse identified above is concerned, counsel for the Claimants relied on what I said in *Hotel Cipriani srl v Cipriani (Grosvenor Street)* [2009] EWHC 3031 (Ch); [2009] R.P.C. 9 at [186]:

"It is clear that an application can be made in bad faith vis-vis a third party in circumstances where the third party cannot maintain a relative ground of objection to the registration of the Community trade mark under Arts.8 and 52. Generally speaking, bad faith in such a case will involve some breach of a legal or moral obligation on part of the applicant towards the third party. The classic instance of this is where the applicant has been in discussions with a foreign manufacturer about distributing the latter's goods in the Community, and then applies to register the trade mark under which the goods are marketed in the country of origin and under which the manufacturer proposes to market them in the Community. It is not necessary, however, for there to have been contractual or pre-contractual relations between the parties in order for an application to be made in bad faith. Thus bad faith may exist where the applicant has sought or obtained registration of a trade mark for use as an instrument of extortion, as in the *Melly* case. Nevertheless, I consider that Art.51(1)(b) has no application to situations involving a bona fide conflict between the trade mark rights, or perceived rights, of different traders."

I adhere to what I said there, which I believe remains an accurate statement of law."

The present case

86. Applying this approach, the court has to make an overall assessment of the material facts and to decide whether, bearing in mind what Arnold J said about the burden and standard of proof, TKIL's conduct in applying for registration of the Name as a mark was dishonest (or otherwise fell short of the standards of acceptable commercial behaviour) judged by the ordinary standards of honest people.
87. I will start with what TKIL knew as at 23 May 2011. In this regard, TKIL's knowledge was that of its directors. These included Mr Winter, Mr Roselli and Mr Pathak. The position as regards Mr Stainer is less clear given that Companies House records show that he was appointed a director and also resigned on the day of its incorporation, although it is unclear when the notice of his resignation was filed.
88. Mr Winter clearly knew the full history of TKL's use of the Name. He was (and always had been) a director of TKL and he had at all times played an active role in its management. It appears that he was dissatisfied with the level of sales that TKL had achieved and believed that, by setting up TKIL, sales could be increased. I have no direct evidence as to his state of mind in making the application to register the Name. However, there is some evidence to suggest that he knew that TKL would have had some rights in the Name given that, as appears from his email to Mr Stainer of 12

June 2007, he was well aware that a party that had traded using a name would be able to object to another person's application to register that name as a trade mark.

89. Mr Pathak knew that TKL had been trading since 1998 using the Name in respect of identical products. This was because his company, Midland, had been TKL's toll manufacturer from the start. Mr Pathak was also well aware that the goods had been packaged using the Name, the Logo, and giving TKL's details. Again, I have no direct evidence as to his state of mind. Clearly, he was happy to carry on manufacturing the same product under the same name for TKIL (a company in which he had a substantial 30 percent shareholding), rather than for TKL (in which he had no shareholding).
90. Mr Roselli knew that TKL had traded under the Name in respect of identical products because, in early 2011, he (or rather his company, RCI) had been appointed a distributor for TKL and clauses (1a) and (3) of its Distributor Agreement clearly treated the Name as a TKL trade mark. On the other hand, Mr Roselli's understanding was that rights in the Name were owned or controlled by Mr Winter and that TKL was using it with Mr Winter's consent. On this basis, he believed that TKL's rights in the Name would cease when Mr Winter set up TKIL.
91. Whether or not Mr Stainer was a director of TKIL as at 23 May 2011, he was clearly involved in its incorporation and evidence as to his state of mind casts some light on the states of mind of the others involved. Like Mr Winter and Mr Pathak, he had been involved with TKL from the start (having provided it with the formulation for the Cleaner) and he was well aware that TKL had traded using the Name although, like Mr Winter, he was unhappy about the level of returns he was receiving from TKL. His email of 23 May 2011 to Mr Winter and Mr Pathak shows that he was keen to make sure that TKL did not register the Name although, as I have said, he does not seem to have been aware that TKIL's application to register it was being made that very day. In my judgment, it is highly probable that Mr Stainer thought that TKL had some rights in the Name. Indeed, he later said so in his email to Mr Platz of 18 March 2012.
92. In the *Chocoladenfabriken Lindt* case, one of the matters identified by the CJEU as of particular importance was whether the applicant's intention in applying for registration was to prevent a third party continuing to use the sign in question. In this regard, Mr St Quintin submitted that Mr Roselli had admitted that the plan in setting up TKIL was "to appropriate the rights to the Name and to relegate [TKL], from being the owner of the Name, to a distributor of [TKIL] products under that Name". I am not sure that this is correct. Mr Roselli's evidence was that he gave little thought to TKL because he thought (in my judgment, wrongly) that Mr Winter was entitled to grant and to revoke the right to use the Name. Thus, whilst Mr Roselli may well have anticipated that TKL would be relegated to the status of a distributor, I do not think that he thought that the plan involved an appropriation of TKL's rights.
93. As regards the other parties involved in TKIL, they clearly hoped to engineer a position whereby TKIL would take over from TKL. Whether they actively intended to prevent TKL using the Name is less clear. Rather, their focus appears to have been to ensure that TKIL could use the Name. For example, in Mr Stainer's email to Mr Winter and Mr Pathak of 23 May 2011, he refers to whether TKL (or rather Mr Platz and the other TKL shareholders) could "cut up rough" or "block everything" (i.e. the "plans to sell Turbo-K outside Turbo-K Ltd."). Also, in an email to Mr Platz on 18

March 2012, he noted that FPT and the other distributors could not be stopped from selling the product given that “TKL own previous rights”. It was later, as the dispute developed, that TKIL’s stance seems to have changed. Thus, in a Report apparently written in November 2012, Mr Stainer, Mr Pathak and Dirk Winter argued that TKL “does not own the name ‘Turbo-K’” and, of course, in this action TKIL has counterclaimed that TKL is infringing its trade mark.

94. In the light of these findings, the question is whether TKIL’s conduct in applying to register the Name was in bad faith – i.e. whether it was dishonest (or otherwise fell short of the standards of acceptable commercial behaviour) judged by the ordinary standards of honest people. In my judgment, it was. I note, in particular:
- (a) TKIL, through Mr Winter and Mr Pathak and, maybe, also Mr Stainer, was well aware that TKL had (or very probably had) legally protectable rights in the Name.
 - (b) Whatever their precise intentions as regards TKL’s future ability to use of the Name, their application to register the Name to TKIL was clearly contrary to TKL’s best interests. Even if it was not an attempt to appropriate the Name (and therefore to prevent TKL using it, other than as TKIL’s distributor), it was at the very least an attempt to undermine TKL’s exclusivity in the Name.
 - (c) It is clear that in making the application on behalf of TKIL, Mr Winter was acting contrary to the fiduciary duty that he owed TKL as one of its directors.
 - (d) The application made by TKIL (and, indeed, TKIL’s very incorporation) was undertaken without informing FPT and Italprorammar who, together, held the majority of the shares in TKL and/or of Mr Platz who was, of course, a director of TKL. The aim appears to have been to present Mr Platz with a *fait accompli*.
 - (e) Mr Pathak knew that the application for registration was part of a scheme whereby TKIL would start marketing and selling the Turbo-K Cleaner using his company, Midland, as its manufacturer. This is difficult to reconcile with the agreement that he signed as a director of Midland whereby Midland would manufacture the Turbo-K Cleaner *solely* for TKL.
 - (f) Mr Stainer clearly had doubts about the morality of TKIL’s conduct. In his email of 18 March 2012, he commented that the application by TKIL was “a bit ‘underhanded’ to say the least”.
95. In reaching this conclusion, I have not relied on Mr Roselli’s state of mind. As set out above, it was his (erroneous) belief that TKL had no rights because Mr Winter controlled the Name. If the issue of bad faith turned simply on Mr Roselli’s state of mind, I am not convinced that a finding of bad faith would be justified, particularly given that the registration would in any event be invalid due to TKL’s prior rights, although I can see that the fact that his company, RCI, had entered into a Distributor Agreement with TKL only a few months before should arguably have given him pause for thought. However, I do not need to decide this point. In my judgment, given the knowledge of each of Mr Winter, Mr Pathak and Mr Stainer and the links that each of them had to TKL, I find that TKIL’s underhanded (to use Mr Stainer’s word) conduct in applying to register the Name as a trade mark was conduct that fell well

short of the standards of acceptable behaviour observed by reasonable and experienced people in the particular area.

96. On this basis, I find that TKIL's registration was also invalid pursuant to s.47(1) on the ground that the application had been made in bad faith contrary to s.3(6).

The personal liability of Mr Roselli

97. The next issue is whether, as TKL alleges, Mr Roselli is personally liable for TKIL's acts of passing off that I have identified in paragraph 68 above.
98. Mr Roselli is a director of TKIL and his company, RCI, has 30% of TKIL's shares. However, this does not of itself mean that he is jointly liable for TKIL's acts of passing off. As Mr St Quintin submitted, for Mr Roselli to be personally liable for an act of TKIL, it must be shown that he personally had carried out that act, or that he had procured or induced TKIL to do that act, or that he had been part of a common design to carry out that act. Mr Roselli did not challenge this statement of the law, which is, in any event, consistent with decisions such as *MCA Records Inc v Charly Records Ltd* [2001] EWCA Civ.1441 and *BskyB v Sky Home Services* [2006] EWHC 3165.
99. In *Fish & Fish Limited v Sea Shepherd UK* [2015] UKSC 10, the Supreme Court considered when a person could be liable by reason of being part of a common design to carry out a tortious act. As Mr St Quintin pointed out, whilst the Supreme Court Justices disagreed on their application of the law on the facts of that case, there was little or no difference between them as to relevant test. I will, therefore, take the following formulation of the test, provided by Lord Neuberger at [55]:
55. It seems to me that, in order for the defendant to be liable to the claimant in such circumstances, three conditions must be satisfied. First, the defendant must have assisted the commission of an act by the primary tortfeasor; secondly, the assistance must have been pursuant to a common design on the part of the defendant and the primary tortfeasor that the act be committed; and, thirdly, the act must constitute a tort as against the claimant.
100. At [57]-[60], Lord Neuberger expanded on each of these 3 conditions saying that:
57. So far as the first condition is concerned, the assistance provided by the defendant must be substantial, in the sense of not being *de minimis* or trivial. However, the defendant should not escape liability simply because his assistance was (i) relatively minor in terms of its contribution to, or influence over, the tortious act when compared with the actions of the primary tortfeasor, or (ii) indirect so far as any consequential damage to the claimant is concerned. Nor does a claimant need to establish that the tort would not have been committed, or even that it would not have been committed in the precise way that it was, without the assistance of the defendant. I agree with Lord Sumption that, once the assistance is shown to be more than trivial, the proper way of reflecting the defendant's relatively unimportant contribution to the tort is through the court's power to apportion liability, and then order contribution, as between the defendant and the primary tortfeasor.
58. As to the second condition, mere assistance by the defendant to the primary tortfeasor, or "facilitation" of the tortious act, will not do, as explained by Lord

Templeman in *CBS Songs Ltd v Amstrad Consumer Electronics Plc* [1988] AC 1013, 1057B-C, and 1058G-H, and by Hobhouse LJ in *Credit Lyonnais Bank Nederland NV v Export Credit Guarantee Department* [1998] 1 Lloyd's Rep 19, 46. There must be a common design between the defendant and the primary tortfeasor that the tortious act, that is the act constituting or giving rise to the tort, be carried out, as suggested in *Vestergaard Frandsen A/S v Bestnet Europe Ltd* [2013] 1 WLR 1556, para 34.

59. A common design will normally be expressly communicated between the defendant and the other person, but it can be inferred, a point which is clear from Lord Mustill's reference to "agreed on common action" and "tacit agreement" in *Unilever* at p 609. I have some concerns about the notion that the defendant has to "[make the tortious act] his own", as Peter Gibson LJ put it in *Sabaf SpA v Meneghetti SpA* [2003] RPC 264, para 59. While it can be said that it rightly emphasises the requirement for a common design, this formulation is ultimately circular and risks being interpreted as putting a potentially dangerous gloss on the need for a common design.
60. As to the third condition, it is unnecessary for a claimant to show that the defendant appreciated that the act which he assisted pursuant to a common design constituted, or gave rise to, a tort or that he intended that the claimant be harmed. But the defendant must have assisted in, and been party to a common design to commit, the act that constituted, or gave rise to, the tort. It is not enough for a claimant to show merely that the activity, which the defendant assisted and was the subject of the common design, was carried out tortiously if it could also perfectly well be carried out without committing any tort. However, the claimant need not go so far as to show that the defendant knew that a specific act harming a specific defendant was intended.
101. On the basis of these authorities, Mr St Quintin argues that, insofar as acts which I have found constituted passing off by TKIL were actually carried out by Mr Roselli on TKIL's behalf, Mr Roselli must be personally liable. I think that this must be right. These acts included the creation or amendment of brochures and of a website for TKIL as well as the alterations to the Logo leading to the figurative logos identified in the Amended Particulars of Claim. These were all acts for which Mr Roselli frankly accepted he was responsible.
102. Mr St Quintin also argues that Mr Roselli is more generally liable for TKIL's acts of passing off on the basis described in the *Sea Shepherd* case – namely (1) that he had assisted TKIL in the commission of those acts, (2) that he had done so pursuant to a common design with TKIL and (3) that such acts constituted acts of passing off.
103. I have already identified the actions of TKIL that I have found constituted passing off. I must, therefore, determine the nature of Mr Roselli's involvement in those actions and whether it was pursuant to a common design with TKIL.
104. I should say that from the start that I accept Mr Roselli's evidence as to how he came to be involved in TKIL. He told me that, in April 2011, he had had a meeting with Mr Winter and Mr Pathak at which they had informed him that, due to their dissatisfaction with TKL, they had decided to form a new company. He also told me, and I accept, that he had not insisted on being a director of and shareholder in the new company but rather, that this suggestion had come from Mr Winter and Mr Pathak. In this regard, I am aware that in a later email of 18 March 2012, Mr Stainer commented

that Mr Winter had “made it quite clear that the only way Rony Roselli would come onboard was via a new company in which he would also have a shareholding & say”. However, given that this comment is not only untested double hearsay but is also ambiguous, I do not see it as a basis for disbelieving Mr Roselli. Finally, I accept Mr Roselli’s evidence that it was Mr Winter who was responsible for TKIL’s application to register the Name and that he (Mr Roselli) was only told of this later. He believed that the registration “trumped” whatever rights TKL had in the Name not least because he believed that Mr Winter was entitled to decide what to do with the Name and it did not occur to him that a wrong was being done to TKL.

105. The difficulty for Mr Roselli is that, whilst I accept his evidence with regard to how he came to be involved in and his state of mind as described above, this does not help him.
106. The fact is that TKIL was set up with the clear intention that it would use the Name to manufacture, market and sell the Turbo-K Cleaner, the very acts that I have found constituted passing off. That was the common design of Mr Winter, Mr Pathak, Mr Stainer and Mr Roselli and, after it was incorporated, of TKIL itself. It was, as Mr St Quintin put it, TKIL’s entire *raison d’etre* and Mr Roselli was an active participant in it even if he was not its instigator.
107. First, Mr Roselli was involved in the discussions to set up TKIL and, on its incorporation, he was appointed a director and his company, RCI, held 30% of its shares.
108. Second, after incorporation, Mr Roselli played an active and significant role in TKIL’s manufacture, marketing and selling the Turbo-K Cleaner. For example:
 - (a) At no time has TKIL had any employees. Its affairs have always been conducted by its directors. Mr Roselli was a director from the date of TKIL’s incorporation. After Mr Winter’s death in January 2012, he and Mr Pathak were its only directors. Since Mr Pathak’s resignation on 12 November 2019, Mr Roselli has been its sole director.
 - (b) On 17 June 2011, Mr Roselli, as President and CEO of TKIL, signed the agreement whereby Midland agreed to manufacture “Turbo-K Products” for TKIL.
 - (c) On that same day (17 June 2011), Mr Roselli kept the minutes for a TKIL meeting at which it was agreed that future orders from RCI (formerly TKL’s distributor) would be sent to TKIL. The same minutes record that Mr Roselli would work on TKIL’s advertising materials (“Posters, Brochures, etc.”), which he subsequently did. They also record that Mr Roselli would be involved in actioning changes to the website so as to refer to himself as well as to Mr Pathak and Mr Winter. As I have mentioned, Mr Roselli accepts that he undertook these actions as well as the modifications to the Logo.
 - (d) On 22 April 2013, Mr Roselli (again as President and CEO of TKIL) signed a Letter of Appointment confirming TKIL’s appointment of RCI as the exclusive master global distributor of “our: Turbo-K Gas Turbine Compressor On-Line and Off-Line Cleaners”.
 - (e) Whilst it seems that TKIL’s day to day operations were run initially by Mr Winter and Mr Pathak and later, after Mr Winter’s death, by Mr Pathak until

his resignation in December 2019, it is clear that Mr Roselli was also active in relation to TKIL's actions which I have found constituted passing off:

- i. Mr Roselli was active in marketing and selling the Turbo-K Cleaner being manufactured by TKIL. His own evidence is that Mr Pathak would transfer sales enquiries to Mr Roselli for processing;
 - ii. On Mr Roselli's own evidence, TKIL had sales in the period between June 2011 and April 2014. Given that RCI was TKIL's "exclusive master global distributor", I assume, that these included sales by TKIL to RCI;
 - iii. There is documentary evidence of sales by TKIL to RCI from April 2014;
 - iv. Mr Roselli gave evidence of chasing Mr Pathak in early 2014 regarding the setting up a bank account for TKIL;
 - v. Mr Roselli also gave evidence of insisting, again in early 2014, that Mr Pathak stop using TKIL funds to pay "commission" to Dirk Winter and Mr Stainer. In cross examination, Mr Roselli said that it was not necessarily the case that Mr Pathak had to obey him but that they were, in effect, equals in the TKIL hierarchy; and
 - vi. Mr Roselli again described himself as President and CEO of TKIL in his LinkedIn entry in 2015.
109. In my judgment, applying the test summarised by Lord Neuberger in *Sea Shepherd*, Mr Roselli's involvement in TKIL's actions which I have found amounted to passing off, was more than a de minimis involvement and went far further than mere facilitation of those acts. Moreover, it is, in my judgment, clear that his involvement was pursuant to a common design whereby TKIL would carry out those acts. As Mr St Quintin submitted, TKIL's very *raison d'être* was to manufacture, market and sell the Turbo-K Cleaner, using the Name as part of its corporate and trading name. That was a common design shared with TKIL and with the various individuals (Mr Winter, Mr Pathak, (probably) Mr Stainer and also Mr Roselli) involved in setting up and operating TKIL.
110. For these reasons, I conclude that Mr Roselli is personally liable to TKL in respect of TKIL's passing off.

TKIL's counterclaims against TKL and Mr Platz

111. The final issues are TKIL's claim against TKL for infringement of TKIL's registered trademark and its claim that Mr Platz is also liable in respect of any such infringement.
112. Given the findings set out above, it is clear that these claims have no foundation and must be dismissed.

Conclusion

113. For the reasons set out in this judgment:
- (a) I find that TKIL is liable to TKL for passing off in respect of the acts set out in paragraph 68 of this judgment;

- (b) I find that Mr Roselli is personally liable for TKIL's said acts of passing off;
- (c) I find that TKIL's UK trade mark is invalid (i) by reason of TKL's prior rights in the mark "Turbo-K" and/or (ii) because the application for registration of the mark was made in bad faith;
- (d) I dismiss TKIL's claim that TKL has infringed its UK trademark; and
- (e) I dismiss TKIL's claim against Mr Platz.