

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2286992
BY UNIVERSITY OF THE UNIVERSE TO REGISTER A TRADE MARK
IN CLASS 41**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER No. 90567
BY DE BRUS MARKETING LIMITED**

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**IN THE MATTER OF Application No. 2286992
by University of the Universe to register a Trade Mark in Class 41**

and

**IN THE MATTER OF Opposition thereto under No. 90567
by de Brus Marketing Limited**

Background

1. On 28 November 2000 University of the Universe applied to register the following mark:



for a specification of services in Class 41 that reads:

“Academic training by distant learning and/or the Internet; educational certification and accreditation services relating thereto; but not including any such services relating to pharmacists and/or pharmacy assistants.”

2. The application was given the number 2286992.

3. On 13 May 2002 de Brus Marketing Limited filed notice of opposition to this application. They say they have been providing remote learning services and products under the mark EDUCARE since at least the mid 1990s and have developed a substantial reputation in the mark. Their objections are framed in the following terms:

“The applicants’ application is for identical services and includes a motto Educare et Integrare. In all probability when the mark is spoken it will either be as Educare or the

Educare logo. There is accordingly a high risk of the public being confused particularly in view of the identity of the services and passing off is likely to occur. Accordingly, the application should be refused under the provision of Section 5(4)(a) of the Trade Marks Act 1994.

The applicant is not fully or completely identified and does not constitute a legal person empowered to hold property and the application was therefore made in bad faith and is contrary to Section 3(6) and is further contrary to Section 32 and it does not identify the actual name of the applicant and should not have been accorded a filing date under Section 33(1). Further, at the time of the application, the University of the Universe whatever its legal status was not formed and there was no intention to use the mark other than in connection with services supplied to doctors. The statement concerning use made on the Form TM3 was therefore inaccurate and the application was made in bad faith at least, to the extent that it covers services supplied to parties other than doctors.”

4. The applicant filed a counterstatement denying the above grounds. The applicant’s counterstatement contains a number of what amount to submissions in relation to the grounds. I take these into account in what follows along with the evidence and written submissions filed by the opponents. Both sides have asked for an award of costs in their favour.

5. Neither side indicated that they wished to avail themselves of the opportunity to be heard. Acting on behalf of the Registrar I give this decision. I do not propose to provide the normal evidence summary at this point but will draw on relevant parts of the material submitted by the opponents in the decision that follows.

Decision

Sections 3(6) and 32

6. It will be apparent from the opponents’ statement of grounds that they have raised a fundamental challenge to University of the Universe’s capacity to constitute a legal person empowered to hold property and thus to be an applicant within the meaning of Section 32 of the Act. As a separate matter there is also a claim that the application was filed without the requisite intention to use either because the applicant had no legal status or because, as framed, the applicants specification is cast in broader terms than services supplied to doctors (which seems to be the intention behind the application). Strictly speaking the intention to use point along with the Section 5(4)(a) ground only arise if there is an application to consider. If the opponents succeed in their primary challenge that is an end to the matter. I will, therefore, deal first of all with the objection based on the applicants’ legal status.

7. I understand that the applicant has not been professionally represented during the conduct of these proceedings. The counterstatement and the submissions contained therein are not presented in conventional terms. It is no criticism of a private litigant that this is the case. It has, however, caused me to pause and consider whether the applicant was fully apprised of the fundamental nature of the objection the application faced. I am satisfied that the basis of the opponents’ objection was clearly set out in their statement of case and that Mr Dunlop’s witness statement provided further confirmation that the objection was being pursued and what the nature of that objection was.

8. In relation to Section 3(6)/Section 32 the counterstatement contains the following:

“(i) The charge of bad faith under section 3(6) is ludicrous and lacks credibility and should therefore be dismissed. How could they charge that a University being proposed for global distance learning programs has been established in bad faith simply because its Latin phrased motto has similarities to an English word presently being used as a trademark by two other companies? The logo constitutes a major mark of identity for the University and will always be used for its activities. On the contrary, their opposition has been made in bad faith because their logo is not registered with the Trade Marks Registry, and secondly two organisations ref 1388022 (41) and ref 2233758 have used the Trade Mark Educare since 1989 and 2002 respectively. These companies have not opposed the use of the motto “Educare et Integrare” because their directors and executives are sensible and have not been confused like the opponents. Conceivably in their surge of confusion and sense of insecurity, they have propelled their ignorance and made no attempts to check the English meaning for the motto “Educare et Integrare.”

(ii)

(iii) The applicants have fulfilled the conditions laid out in sections 32 and 33 of the Act. The trade mark forms an integral part of the identity of the University and the applicants have bona fide intention to use it in all the activities of the institution. The primary focus of the University of the Universe is aimed at training medical specialists all over the world through long distance learning.”

9. The opponents, for their part, filed a witness statement by Brian Kenneth Charles Dunlop, their professional representative in this matter. He makes three points:

(i) a search of the UCAS web site (www.ucas.ac.uk/instit/rightuk.html) shows no university or college listed with the name of the University of the Universe. It is suggested that, as UCAS are responsible for applications to all universities and institutions of higher education, this is a surprising state of affairs;

(ii) use of the name University is restricted by law. I have been referred to Section 74 of the Further and Higher Education Act 1992 in which permission of the Privy Council is required for an institution or body corporate to adopt the title “University”;

(iii) further (unspecified) internet and other searches have failed to identify the applicant.

10. The opponents’ written submissions also refer me to a decision 0-175-02 *Blarney Spring Water (UK) Limited v Irish Water Resources Ltd* where bad faith was found because the applicant was not a legal entity at the time of filing. They also refer to certain comments made in the applicant’s counterstatement to the effect that the applicant “is being established solely for academic purposes – primarily aimed at doctors”. It is suggested that the use of ‘is being’ means that the applicant was not yet established at the time of the counterstatement.

11. With the above evidence and submissions in mind I turn to the law.

Section 3(6) reads:

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

Section 32 reads:

“32.-(1) An application for registration of a trade mark shall be made to the registrar.

(2) The application shall contain-

- (a) a request for registration of a trade mark,
- (b) the name and address of the applicant,
- (c) a statement of the goods or services in relation to which it is sought to register the trade mark, and
- (d) a representation of the trade mark.

(3) The application shall state that the trade mark is being used, by the applicant or with his consent, in relation to those goods or services, or that he has a *bona fide* intention that it should be so used.

(4) The application shall be subject to the payment of the application fee and such class fees as may be appropriate.”

12. I also bear in mind the following passage from Mr Geoffrey Hobbs QC’s decision in *Demon Ale Trade Mark* [2000] RPC 345 in determining the correct approach to an objection on bad faith grounds:

“I do not think that section 3(6) requires applicants to submit to an open-ended assessment of their commercial morality. However, the observations of Lord Nicholls on the subject of dishonesty in *Royal Brunei Airlines Sdn Bhd v. Philip Tan* [1995] 2 A.C. 378 (PC) at page 389 do seem to me to provide strong support for the view that a finding of bad faith may be fully justified even in a case where the applicant sees nothing wrong in his own behaviour.

In *Gromax Plasticulture Ltd v. Don & Low Nonwovens Ltd* [1999] R.P.C. 367 Lindsay J. said (page 379):

“I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context: how far a

dealing must so fall-short in order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances.”

These observations recognise that the expression “bad faith” has moral overtones which appear to make it possible for an application for registration to be rendered invalid under section 3(6) by behaviour which otherwise involves no breach of any duty, obligation, prohibition or requirement that is legally binding upon the applicant. Quite how far the concept of “bad faith” can or should be taken consistently with its Community origins in Article 3(2)(d) of the Directive is a matter upon which the guidance of the European Court of Justice seems likely to be required: *Road Tech Computer Systems Ltd v. Unison Software (U.K.) Ltd* [1996] F.S.R. 805 at pages 817, 818 per Robert Walker J.

In the present case the objection under section 3(6) related to the applicant’s breach of a statutory requirement. Section 32(3) of the Act required him to be a person who could truthfully claim to have a bona fide intention that DEMON ALE should be used (by him or with his consent) as a trade mark for beer. His application for registration included a claim to that effect. However he had no such intention and could not truthfully claim that he did. That was enough, in my view, to justify rejection of his application under section 3(6).”

13. Although DEMON ALE was solely concerned with an intention to use issue I find support in that decision for the proposition that Section 3(6) can in principle be invoked in circumstances where it is claimed that an applicant is in breach of one of the statutory requirements in filing his application.

14. I should record at this point that item 12 on the Form TM3 (Application to register a trade mark) requires an applicant to give his or her name and address, that is to say the information required by Section 32(2)(b). The information given in this case is:

University of the Universe
C/o Dr P E Idahosa
6 Wheatley Gardens
Edmonton
London
N9 9WE

15. The Form TM3 has been signed by Dr Idahosa.

16. The status of University of the Universe is not clear from the information given. I note that the Form TM3 is signed by Dr Idahosa. He is presumably the controlling mind behind the applicant but it is clear that the University and Dr Idahosa are separate entities.

Section 2(1) of the Act reads:

“2.-(1) A registered trade mark is a property right obtained by the registration of the trade mark under this Act and the proprietor of a registered trade mark has the rights and remedies provided by this Act.”

17. A property right cannot exist in a vacuum. There must be a proprietor. The Notes on the Trade Marks Act 1994, based on Notes on Clauses prepared for use in Parliament while the Trade Marks Bill was before it, indicate in relation to Section 32(2) that “paragraph (b) requires the application to contain the name of the applicant (who may be either a natural or legal person) and his address”. A proprietor can thus be either an individual or a properly constituted legal entity. This is commonly limited liability companies but it may also be companies limited by guarantee, partnerships or unincorporated bodies such as registered charities, educational establishments, clubs, societies and such like provided they are properly constituted and able to hold property. There is no reason in principle why a university should not be able to hold trade marks or other intellectual property rights. The question that arises here as a result of the opponents’ challenge is whether the University of the Universe is a properly constituted body that meets the requirements of the Act.

18. As the applicant has pointed out the application was accepted by the Registry for publication purposes. However, that cannot be determinative of the matter in the face of the opponents’ challenge. It is for an applicant to ensure that his application is in order when filed and complies with the requirements of Section 32 of the Act. The Registry undertakes a formalities check to satisfy itself that a filing date can be accorded. If an application appears to be deficient in one or more respects the provisions of Section 33 and Rule 11 of The Trade Marks Rules 2000 come into play and the applicant is given a period of two months to remedy any deficiencies in the application. If necessary the date of filing will be amended to reflect the date on which documents containing the information required by Section 32(2) are furnished to the Registrar. The Registry does not at this initial stage look beneath the surface of the application.

19. The opponents’ evidence against the application is not extensive. It consists largely of reference searches which have failed to identify the applicant and reference to the restrictions in law on the use of the name ‘University’.

20. So far as the latter is concerned use of names incorporating the word ‘University’ is controlled by Acts of Parliament. Section 39 of the Teaching and Higher Education Act 1998 provides that:

“(1) A relevant institution in England and Wales shall not, when making available (or offering to make available) educational services, do so under a name which includes the word “university” unless the inclusion of that word in that name is-

- a) authorised by or by virtue of any Act or Royal Charter, or
- b) approved by the Privy Council for the purposes of this section.

(2) A person carrying on such an institution shall not, when making available (or offering to make available) educational services through the institution, use with

reference either to himself or the institution a name which includes the word “university” unless the inclusion of that word in that name is authorised or approved as mentioned in subsection (1).”

21. Section 77 (not Section 74 as the opponents’ evidence suggests) of the Further and Higher Education Act 1992 provides that:

“(1) Where-

- a) power is conferred by any enactment or instrument to change the name of any educational institution or any body corporate carrying on such an institution, and
- b) the educational institution is within the higher educational sector,

then, if the power is exercisable with the consent of the Privy Council, it may (whether or not the institution would apart from this section be a university) be exercised with the consent of the Privy Council so as to include the word “university” in the name of the institution and, if it is carried on by a body corporate, the name of the body”.

22. As the applicant’s specification covers academic/educational services it appears, prima facie at least, that it may need to comply with the statutory requirements covering use of the word ‘University’. It was open to the applicant to rebut the relevance of the opponents’ claim, to indicate what steps were being taken to comply with the statutory requirements or to explain why they did not apply to the applicant. It may be argued that the statutory provisions are directed at the offering of educational services rather than merely the adoption of a name incorporating the word ‘University’. If so that is likely to be relevant to the issue of intention to use as distinct from the legal status of the applicant.

23. Irrespective of whether the applicant is entitled to use the word ‘University’ in its title there is still the issue of whether it is a legal person. The opponents have been unable to identify the applicant as a result of internet searches but have not indicated the nature or extent of those searches. Equally it might be said that, if the applicant did not formally exist at the relevant date, no amount of searching would have yielded results. Making the best I can of this limited material I consider that the opponents’ evidence is not conclusive but they have raised a prima facie case for the applicant to answer.

24. I have recorded above the applicant’s response as it appears in the counterstatement. I find nothing in Dr Idahosa’s submissions that address the points that have been raised. His response focuses on the objectives of the University and the bona fide adoption of the mark rather than the constitution of the University of the Universe and its capacity to function as a legal person for the purposes of Trade Mark law. There is nothing that addresses the opponents’ criticism or deals directly with the legal status of the applicant.

25. Two cases that have come before Registry Hearing Officers have dealt with the position of applicants who did not have the necessary legal status at the time the applications were filed. In *Vintage Hallmark’s* application, O-156-02, the mark was applied for in the trading name of a company that had yet to be incorporated. In *Blarney Spring Water (UK) Ltd and Irish Water*

Resources Ltd, O-175-02, the applicant company had not been formed and so was not a legal entity at the application date.

26. I do not suggest that the case before me is on all fours with these earlier cases. I have not been told whether University of the Universe is a trading name. Furthermore I have not been told whether it is itself a properly constituted body and if so on what basis it can claim to be a legal entity. The result is that I am not satisfied that the University of the Universe could, at the date of application, properly have claimed to be the applicant for registration of a trade mark. If that is the case then the application was deficient from the start and for practical purposes a nullity. It would also follow that at the time the application was filed there was no one who could make the statement required by Section 32(3) to the effect that there was a bona fide intention to use the trade mark or that it should be so used with the applicant's consent. On that basis the opposition succeeds under Section 3(6). In reaching this view I have not given weight to the opponents' submission that the counterstatement itself provides confirmation that the applicant had not been established at the date of filing the application (they point to the use of the words "... is being established solely for academic purposes..."). Whilst those words may be consistent with such an interpretation they may also be no more than a loosely worded explanation of what the objectives of University of the Universe will be once it becomes operational.

27. In case I am wrong in my view of the Section 3(6) ground I will give brief consideration to the opponents' objection under Section 5(4)(a).

28. The Section reads as follows:

"5-(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, or
- (b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

29. The requirements for this ground of opposition are set out in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *WILD CHILD* Trade Mark [1998] RPC 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

- (1) that the opponents' goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

- (2) that there is a misrepresentation by the applicant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicant are goods or services of the opponents, and
- (3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicant's misrepresentation.

30. The opponents have filed evidence by Julie Catherine Peach, the Commercial Director of de Brus Marketing Services Ltd. She describes her company's activities as follows:

“In the late 1980's my Company developed with Stirling Health a distance learning programme for pharmacy assistants to learn product information. This involved my Company developing a series of modules, which were distributed to the recipients for them to work through. The modules were then returned to my Company for marking and individual assessment reports were then returned. The modules bore the Company's details, but also bore my Company's trade mark EDUCARE as did all related literature.

Subsequent to the development of that product, the approach was taken up by a number of companies such as Marks & Spencer, Comet and companies in the travel industry. Further products have been developed to deliver information into the food sector, the insurance business and generic products have been produced relating to health and safety, food hygiene, planning for business and stress management. In addition several extensive programmes have been developed with the NSPCC.”

31. In support of this Exhibit JP1 shows examples of the company's products, certificates issued to successful candidates and a letter from the Chief Executive of the NSPCC acknowledging the company's contribution. Since 1998 Ms Peach says her company's generic products have been on sale to the general public. Sales figures are given as follows:

Year	Client	Approx. No. of Participants	£ Approx. Sales value
1995	Comet	3000 x 16 modules	223170
1996	Comet	3000 x 12 modules	136424
1996-1998	Travel companies		169801
1997 to Nov. 2000	Chamber of Commerce	10,000	322680
1998	Eagle Star	1750 x 10 modules	131500
1999	Zurich	1500 x 10 modules	179000
2000 to Nov	NSPCC	6225	70,000
2000 to Nov	ESF	1400	160,000
		Total	1392575

32. Ms Peach says that because her company's programmes are developed either for particular parties or with the financial or other assistance of various parties it is routine for the mark to appear with other companies' trade marks.

33. The material exhibited in support of the above claims sheds little further light on the business. JP1 consists mainly of what I take to be front pages of the various learning programmes devised by the opponents for the employers listed. Only a Sales Development programme for British Airways gives any insight into the methodology of the programmes. The documents are not always dated but for the most part can be linked back to the client list given above. I assume that this is a complete client listing. No information is given on the company's success in selling generic products to the general public (referred to in Ms Peach's evidence). The evidence is largely silent on marketing methods. If there is a general product/service brochure separate from the client specific material it has not been included in the evidence. I am uncertain as to how new clients are won and what promotional steps are taken which might have alerted a wider audience to the company's activities.

34. I should also say that the mark most frequently shown is de Brus EDUCARE with EDUCARE by far the most prominent element and de Brus presented vertically against the ascender of the letter E of EDUCARE. Sometimes the whole mark is inverted so that de Brus appears horizontally and EDUCARE vertically at the right hand edge of the page. The pages from the programmes for COMET in 1995 and 1996 show both EDUCARE on its own (and COMET separately) and what might be taken as a combined mark COMET EDUCARE. In general there is support for Ms Peach's claim that the nature of the opponents' business is such that EDUCARE almost always appears in varying degree of proximity with other companies' trade marks.

35. Bearing in mind Mr Justice Pumfrey's comments in *Reef Trade Mark*, [2002] RPC 19 at paragraphs 27 and 28, regarding the standard of evidence required, I find this case to be one at the margins in terms of whether the opponents have substantiated their claim to goodwill. Their business appears to attract a relatively small number of relatively high profile clients. Their claim is in general terms a credible one but for the reasons given above is lacking in some of the contextual and substantiating detail that one might reasonably have expected the opponents to provide.

36. With those reservations in mind I will nevertheless consider the second leg of the passing off test, misrepresentation. The opponents have submitted that the applicant's mark consists of a number of non-distinctive symbols. They identify and comment on them as follows:

- a serpent entwined around a winged staff is a symbol of the medical profession (a point that the applicant appears to concede);
- a book is a typical symbol of learning;
- a globe and stars are commonly used to indicate a worldwide or international scope.

37. Further they say that the word EDUCARE is given particular emphasis in white and is the predominant verbal part of the mark.

38. The applicant points to the uniqueness of the logo incorporating as it does the Latin motto EDUCARE ET INTEGRARE (meaning to educate and integrate). The applicant also refers to

the words University of the Universe but this appears to be based on a misconception as these words form no part of the mark applied for.

39. The question that arises is whether use of the applicant's composite mark in relation to academic training by distant learning etc would be a misrepresentation likely to lead the relevant public to believe that those services are services of the opponents which have been offered under the mark EDUCARE or de Brus EDUCARE (stylised). In approaching this question I find myself unable to draw any clear line of demarcation between the respective services. It is reasonable to conclude from the opponents' evidence that they are primarily engaged in commercial training/education programmes rather than the academic training services that are of interest to the applicant. But the dividing line may not always be a sharp one where vocational training packages are concerned.

40. The opponents' case turns critically on the presence of EDUCARE within the body of the applied for mark. As they have pointed out the word elements of the mark are picked out in contrasting lettering. Even so I think it unlikely that the public would notice the word EDUCARE without also appreciating that it forms part of the phrase EDUCARE ET INTEGRARE. Those words, positioned as they are within a banner device would be likely to be taken as a Latin (or at least foreign language) motto or tag. Within the context of the services concerned the words might be perceived as having something to do with education but I doubt that the relevant public would seek out a meaning where one is not obvious.

41. More importantly the words are only a small part of an integrated device. I accept that the serpent/staff device is one closely associated with the medical profession and that a book may be taken as a symbol of learning. But marks are not usually subjected to detailed analysis in this way. The overall impression is of a complex and highly visual mark in which the words play a distinctly subordinate role to the totality within which they appear. I do not accept the opponents' submission that EDUCARE is particularly prominent or the predominant verbal part of the mark (cf the approach adopted by the Appointed Person in *10 ROYAL BERKSHIRE POLO CLUB* Trade Mark [2001] RPC 32 in relation to the comparison of marks under Section 5(2)).

42. Turning to the opponent's sign I think it more likely that EDUCARE on its own would be seen as an invented word. In use I note that it is more often than not presented with a capitalised C, thus EduCare. Where that is the case it is likely to suggest the idea of educational care. But whether or not that allusive quality is present the key issue is that there is insufficient similarity between the opponents' sign and the applicant's mark for any question of misrepresentation to arise. It follows that this is a fortiori the position when the opponent's mark is de Brus EDUCARE.

43. I must return, however, to one aspect of the opponents' case, namely the fact that the nature of their business means that their own sign(s) often appear with third party brands. The latter may either be the organisation for whom the services are being provided or others who are involved with financing or sponsoring the programmes in some form. A convenient example of this practice in JP1 is the Health & Safety module 4 accidents and emergencies page. The de Brus EDUCARE mark appears with the logos of no less than four other organisations (the IOSH, Coventry & Warwickshire Chamber of Commerce, Business Link and the European Social Fund).

44. Should that circumstance of trade lead me to a different view on the issue of misrepresentation? In my view the answer to that is in the negative for the following reasons:

- where multiple logos appear it is for the most part clear from the context that they are distinct from EDUCARE;
- where that is not so, in the case of the COMET EDUCARE 1996 page, the document concerned would, I assume, only have been prepared once EDUCARE had won the contract to supply COMET with services. It seems unlikely that third party brands would appear where the opponents are undertaking general promotional activity aimed at attracting new clients;
- last but not least the word EDUCARE is so wholly subsumed within the body of the applicant's mark that it is scarcely credible that anyone would consider that this was the opponents' mark being used in association with a third party brand.

45. In summary I find that the opponents are at the margins of substantiating their claim to goodwill but they would in any case fail under Section 5(4) on the basis that they would be unable to establish misrepresentation leading to damage.

46. The opponents have nevertheless succeeded under Sections 3(6)/32 and are entitled to a contribution towards their costs. I order Dr P.E. Idahosa to pay them the sum of £1400. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 13 day of May 2003

M REYNOLDS
For the Registrar
the Comptroller-General