

O-258-07

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2402237
BY GLOBAL BABY MARKETING LIMITED TO REGISTER
THE TRADE MARK BUMPS & BABIES IN CLASS 16**

AND

**IN THE MATTER OF OPPOSITION No. 93970
BY NATIONAL CHILDBIRTH TRUST & NCT TRADING LIMITED**

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**IN THE MATTER OF Application No. 2402237
by Global Baby Marketing Limited to register the
Trade Mark BUMPS & BABIES in Class 16**

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by National Childbirth Trust & NCT Trading Limited**

BACKGROUND

1. On 22 September 2005 Global Baby Marketing Limited applied to register the mark, **bumps & babies**, for 'magazines published and distributed to pregnant women and new mothers'. These goods are in Class 16 of the international classification system.
2. On 7 December 2005 National Childbirth Trust and NCT Trading Limited (jointly) filed notice of opposition against this application citing grounds under Sections 3(6), 5(4)(a) and 5(4)(b).
3. The first opponent claims to have used the sign Bumps & Babies in the UK for decades in relation to its charitable activities and a range of associated trading activities. The second opponent is a trading subsidiary of the charity and has, *inter alia*, used the sign as the title and masthead logo of a widely distributed magazine that it publishes for the charity and which is distributed to pregnant women and new mothers. That trading activity forms the basis of the claim under Section 5(4)(a).
4. Further, it is said that a previous application by the applicant to register the same mark was withdrawn following formal opposition by the opponents. The applicant did not inform the opponents of its intention to apply to register the mark despite the fact that it distributes the magazine on behalf of the charity. The applicant is not the proprietor of the mark and does not have a bona fide intention to use the mark for the services (goods) applied for.
5. There is a further alternative ground based on what is said to be copyright in the trade mark which is owned by the opponent charity.
6. The applicant filed a counterstatement which makes the following points:-
 - the applicant has the agreement of the opponent to have the mark registered. Reference is made to a contact dated June 2001.
 - the magazine was launched as a joint venture with financial and management support of the applicant. The title has become associated with the applicant.

- the applicant applied to register the mark as it had not been previously registered. Again reference is made to the agreement dated June 2001 in support of this state of affairs.
- since June 2001 “the sign has been used as part of the applicant’s offer in relation to publications to the pregnant women within the UK”.

7. Only the opponent has filed evidence. By letter dated 22 March 2007 the parties were reminded of their right to be heard or to file written submissions. Neither side has requested a hearing or filed submissions. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

Opponent’s evidence

8. Belinda Phipps, the Chief Executive of the National Childbirth Trust (Trust) and of NCT Trading Limited (Trading) has filed a statutory declaration. Ms Phipps describes the background to these bodies as follows:

“2. Trust is a self-help charity which is registered in England under No. 801395 which has been in existence for fifty years providing goods, services and information both for prospective and new parents as members of the public and for health professionals. Through its local branches its activities extend throughout the United Kingdom. Trading was incorporated as a subsidiary in April 1990 in order to operate as the retail arm of Trust and has assumed the responsibility for the publication of journals and periodicals on behalf of Trust previously held by the now-dormant Trust subsidiary, NCT Publishing Limited. In addition to journals and publications, Trading offers a wide range of goods to prospective and new parents. There is now produced and shown to me marked Exhibit BP1 Trading’s current catalogue for these goods illustrating the breadth of Trust activities. For the year up to December 2004 Trust’s turnover was in excess of £5 million.”

9. Amongst the services that Trust provides are events (often in the form of coffee mornings) where pregnant women and those with new babies can get to know each other. These events have become known variously as “Bumps and Babies”, “Bumps and Bundles” or “Bumps and Babes”. Exhibit BP2 contains extracts from newsletters mentioning such meetings. In addition to the work with members of the public the Trust also offers goods, services and information to health professionals. Such professionals receive a journal entitled “New Digest”. Members of the Trust receive the house magazine “New Generation”.

10. Ms Phipps goes on to describe the circumstances surrounding the introduction of a magazine entitled “Bumps and Babies”. It is worth recording the position in full:

“5. In 2000 the Trust, through a partner in a collaboration agreement with its now dormant subsidiary NCT Publishing Limited, was approached by a magazine publisher call Lexicon Editorial Services Limited to seek to work together to produce a magazine targeted towards prospective and new parents. The name chosen for the intended publication was ‘Bumps and Babies’ and it was intended that the first issue would appear in February 2001. Although an

agreement was executed in August 2000 the project did not progress with Lexicon and that 2000 agreement was terminated by mutual agreement. There is now produced and shown to me marked Exhibit BP3 a copy of that agreement. I take note from paragraph 5 that it was intended that there should be joint ownership of the title and trademark "Bumps and Babies" because the nature of the 2000 agreement was that of a joint venture.

6. One of the ways in which companies offer information to prospective and new parents via health professionals is through the donation to hospitals of free packs to be given out by midwives to new mothers giving birth in hospitals. The first of these packs of information, known as "Bounty Packs", have been distributed throughout the United Kingdom for at least twenty years. Subsequently the Applicant, Global Baby Marketing Limited (hereinafter referred to as "Global") introduced its own free packs under the name "Baby Welcome Pack".

7. Following the collapse of the collaborative project with Lexicon Editorial Services Limited, NCT Publishing Limited sought an alternative collaborator, and being aware of the Baby Welcome Packs distributed into hospitals by Global it negotiated and executed with Global an Agreement in June 2001 for collaboration for the proposed publication entitled "Bumps and Babies". There is now produced and shown to me marked Exhibit BP4 a copy of that 2001 Agreement with Global (hereinafter referred to as "the Global Agreement") which was signed on behalf of Global by Mr Guy Burt.

8. Under the terms of the Global Agreement Global were to distribute through its hospital and GP surgery contacts the intended "Bumps and Babies" publication as part of its Baby Welcome Packs, with NCT Publishing Limited being entirely responsible for the editorial content. Because the Global Agreement was apparently based on the earlier agreement with Lexicon it was similarly expressed in the form of a joint venture agreement and in particular there is included in the Global Agreement in paragraph 5.1 the provision for joint ownership in "the title 'Bumps and Babies', the publication and any logo/trade mark/branding associated with it (with the exception of the NCT logo) and subsequent initiatives". I note, however, from paragraph 5.2 and 5.3 that all copyright in the publication belongs to NCT Publishing Limited. Furthermore, the Global Agreement is silent as regards distribution of the intended "Bumps and Babies" publication outside Global's network of hospitals and GP surgeries. Indeed, many copies of the "Bumps and Babies" magazines that were produced during the currency of the Global Agreement were distributed by Trust through its local branches direct to prospective and new parents such as at Bumps and Babies coffee meetings. There is now produced and shown to me marked Exhibit BP5 a copy of the coversheet and pages 1 and 3 of the fifth issue of the magazine published under the title "Bumps & Babies" dated July 2001 which clearly identifies the magazine as emanating from Trust, the only reference to Global being on page 3 under the heading DISTRIBUTION.

9. Although the Global Agreement was agreed and signed by NCT Publishing Limited the officer of that company who took responsibility for the

creation and execution of that Agreement did so without the knowledge and agreement of Trust and furthermore executed the Global Agreement without the knowledge or approval of fellow board members of NCT Publishing Limited. That person was in fact later asked to resign from the Board of NCT Publishing Limited, and then NCT Publishing Limited itself ceased to trade and became a dormant company, with its business interests being transferred to Trading.

10. During 2002 and 2003 various meetings took place and phone calls exchanged between officials of Trust and Trading and Mr Guy Burt regarding both Global's performance under the Global Agreement and a possible licence under which Global could use other Trust trade marks. Although a draft licence agreement was prepared in April 2002 it was never finalised and signed. During several meetings and phone calls, it was made clear to Mr Burt – and I believe that he accepted – that because of lack of performance by Global the Global Agreement was considered to be terminated by Trust and Trading.

11. A proposal for a revised agreement with Global to replace the Global Agreement was prepared in January 2004 and sent to Mr Burt for approval and execution but without any response. A letter was sent to Mr Burt on 1st September 2005 proposing a meeting to discuss the proposed revised agreement but again no response was received from Mr Burt, and to date Mr Burt has not attempted to contact either Trust or Trading about the revised agreement. Because of the continued intercourse with Mr Burt and because of the apparent mutual understanding no thought was given by Trust or Trading to formally terminating the Global Agreement as provided for under paragraph 6.2 thereof.

12. Because of the on-going negotiations with Mr Burt regarding a possible revised agreement, it was with some surprise that I found out that on 15th December 2004 Global had filed for registration of the then current BUMPS & BABIES logo under Application No. 2380395. Not only was there no discussion beforehand with Mr Burt regarding such a filing, but also I was concerned to note that that application was filed naming Global as the sole proprietor. At most all Trust had ever discussed with Global was joint ownership of the BUMPS & BABIES mark.

13. Application No. 2380395 was published on 25th February 2005, and in the absence of any response from Mr Burt to Trust's request to withdraw that application, Trust's solicitors were instructed to lodge a formal opposition. Those opposition proceedings were terminated and that application deemed withdrawn on 27th October 2005 because of the lack of filing by Global of any counter statement. Because of the on-going contacts between Trust and Mr Burt concerning performance under the Global Agreement and other commercial matters, I had thought at the time that the filing of Application No. 2380395 was merely an attempt by Global to place additional pressure on Trust to reach an agreement with Global concerning these other matters.

14. It was therefore with considerable surprise and annoyance that it came to my attention that Global had filed again for registration of the mark BUMPS & BABIES under the opposed Application No. 2402237. Again despite the numerous contacts with Mr Burt prior to the date of filing of the opposed application on 22nd September 2005 there had been no intimation from Mr Burt that any new application was going to be filed, and certainly not again solely in the name of Global. Several attempts have been made to open discussions with Mr Burt concerning the opposed application and its filing solely in the name of Global, but to date Mr Burt has not indicated that he is willing to discuss either matter.”

DECISION

Section 3(6)

11. Section 3(6) provides that a trade mark shall not be registered if or to the extent that the application is made in bad faith. In *China White* [2005] FSR 10, the Court of Appeal decided that the ‘combined test’ they understood to have been laid down by the House of Lords in *Twinsectra v Yardley* [2002] 2 AC 164, should be applied in deciding cases under Section 3(6) of the Act. In *Barlow Clowes International Ltd v Eurotrust International Ltd* [2006] 1 Lloyd’s Rep 225, the Privy Council clarified that the House of Lords’ judgment in *Twinsectra* required only that a defendant’s state of knowledge was such as to render his action contrary to normally accepted standards of honest conduct. There is no additional requirement that a defendant (or applicant in trade mark proceedings) must also have reflected on what the normally accepted standards were. The applicability of these principles to trade mark cases has since been confirmed in *Ajit Weekly Trade Mark* [2006] R.P.C. 25. The standard itself is that set down in *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] R.P.C. 367. It includes dishonesty but also includes some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined.

12. The date at which the matter must be considered is the date of filing of the application, that is to say 22 September 2005.

13. The factual background is that set out in Ms Phipp’s statutory declaration, no evidence having been filed by the applicant to contradict or challenge the claims made. The agreement between NCT Publishing (Publishing) and Global Baby Marketing is central to the matter before me.

14. As Ms Phipps acknowledges this agreement has many features in common with a previous agreement between Publishing and Lexicon Editorial Services Ltd. That earlier agreement had contained a clause providing under the heading of ‘Rights’:

“5.1 Ownership in the title of the publication and any logo/trademark/branding associated with it, (with the exception of the NCT logo) and subsequent initiatives, belong jointly to the Publisher and the Company.”
(‘Publisher’ is Lexicon and ‘Company’ is NCT Publishing).

15. Subsequent paragraphs deal with copyright issues in relation to the design and layout of the publication and the text itself. These provisions are not germane to the issue of rights to the name of the magazine 'Bumps and Babies' .

16. Ms Phipps says that the agreement with Lexicon was executed in August 2000 with the first issue of the intended magazine scheduled for February 2001. On my reading of her evidence no magazine was ever produced at that time. The failure of the collaborative project with Lexicon necessitated a search for an alternative partner. Hence the agreement with Global in June 2001. I draw further confirmation for the finding that no magazine was produced before that time from the claim in the statement that first use of the claimed earlier right took place in June 2001.

17. The agreement (Exhibit BP4) with Global runs to some nine pages and 11 clauses. I note the following key points:

- the publication is identified as being 'Bumps and Babies' (preamble)
- the forecast volume for the first year was between 400,000 and 500,000 units (preamble(a))
- commencement date for the supply of the publication was set at 25 June 2001 (preamble (e))
- the initial agreement period was set at 36 months and thereafter on a rolling basis unless terminated by either party giving at least six months' notice (preamble (b) and also clause 6.1)
- the publication was to appear on a minimum of a half yearly basis (1.1)
- the responsibilities of the parties in relation to editorial, publishing, advertising and distribution matters were set out in the remainder of clause 1
- financial arrangements between the parties were dealt with in Clause 4
- Clause 5 dealt with the rights of the parties in broadly similar terms to the agreement with Lexicon. The key provision reads:
 - “5.1 Ownership in the title “Bumps and Babies” which is associated with the NCT, the publication and any logo/trademark/branding associated with it, (with the exception of the NCT logo) and subsequent initiatives, belong jointly to GBM and NCT Publishing”.
- subsequent provisions in Clause 5 dealt with copyright issues and the circumstances in which Global was to be allowed to use the NCT logo. Again these issues are not germane to the matter I have to decide.

18. Ms Phipps claims in paragraph 9 of her declaration that the agreement with Global was executed by an individual without the knowledge and agreement of Trust or the

board members of Publishing. I am not clear where that point leads. I infer from the fact that Ms Phipps refers to the individual's fellow board members that he or she was a board member. There is no suggestion that the individual had acted outwith his or her powers or that his or her actions fatally undermined the validity of the agreement. In any case a number of issues of Bumps and Babies were published under the terms of the agreement. The example that has been filed in evidence shows it to be 'Volume 1 November 5'. It would appear, therefore, that at least five issues were put out. The first page indicates that the magazine is 'Published by NCT Publishing' and distributed by Global Baby Marketing Ltd. At the end of a paragraph dealing with copyright and the efforts made to check information contained in the magazine there is a date of July 2001 though it is not specifically said to relate to copyright.

19. After NCT Publishing ceased to trade and its interests were transferred to Trading further discussions took place with Mr Guy Burt of Global (I assume this is the same individual who has filed the counterstatement in these proceedings). Mr Burt is said to have accepted that, because of Global's lack of performance, the existing agreement was to be terminated.

20. Discussions appear to have taken place between Trading and Mr Burt/Global during 2002/3 with the result that a revised agreement was prepared in January 2004. I have not been shown this revised agreement. It seems it was never executed but a letter was sent to Mr Burt on 1 September 2005 proposing a meeting to discuss it. Nothing came of this.

21. The current application was filed on 22 September 2005 shortly after the above chasing letter.

22. The clear picture that emerges from this is that the agreement between the parties was that NCT Publishing and Global would jointly own the mark Bumps and Babies. That much is apparent on the face of the agreement (clause 5.1) and replicates the terms of the previous agreement with Lexicon. Even Mr Burt, in the applicant's counterstatement acknowledges that the magazine was launched as a joint venture. I can see no basis for his claim that "the applicant has full agreement with the opponent to have the trade mark registered for the title – as agreed between the parties in a contract dated June 2001". On the contrary the agreement is in the terms I have described. Nor is there any evidence to suggest, as Mr Burt claims, that "the title and therefore the logo became associated with the applicant". On the basis of the example of the magazine in Exhibit BP5 the primary association for consumers would be with the Trust and its Publishing subsidiary. Global's role is merely acknowledged to be in the context of distribution.

23. Global's action in applying for the trade mark in its own name without consulting either or both opponents and in circumstances where the agreement with Publishing was for joint ownership is a clear example of behaviour that falls short of the standard to be expected of reasonable and experienced men in this area of trade (per *Gromax*). It is enough in my view to find that the bad faith claim has been made out.

24. I am also concerned that this is not the first time that Global has sought to acquire for itself rights that, under the agreement, were intended to be jointly owned. Paragraphs 12 and 13 of Ms Phipp's evidence describe the circumstances surrounding

the previous application by Global for the mark. That application (No. 2380395) was filed on 15 December 2004. It was deemed withdrawn on 27 October 2005 after opposition was lodged by Trust's solicitors, Global apparently having failed to file a counterstatement. The current application was, therefore, lodged about a month before the previous application fell away through want of prosecution of the opposition. It has all the appearance of Global seeking to re-establish a claim to which it knew it was not entitled and which it was unable or unwilling to pursue in the opposition proceedings. In all this Mr Burt gave the opponents no indication that he was intending to renew his claim through the current application and despite the fact that he was sent a letter on 1 September 2005 proposing a meeting to discuss a revised agreement. In all the circumstances the objection under Section 3(6) must succeed.

25. That finding decides the matter so I see no need to consider the other grounds in detail. The claim under Section 5(4)(a) is based on the law of passing off. It is well established that to succeed under this head a party will need to establish goodwill, misrepresentation and damage (see *Wild Child Trade Mark* [1998] R.P.C. 455). The opponent's evidence in this respect is thin. It is restricted in effect to Exhibit BP5 (the magazine cover and two inside pages). It is headed Volume 1 No. 5 and has a date on page 1 of July 2001. Whether that relates to the issue date of the magazine or is a copyright date of some kind is not clear. The agreement between Publishing and Global was not executed until June 2001. It provides for the first issue to appear in June 2001 and thereafter on a minimum of a half yearly basis. It is difficult, therefore, to reconcile the July 2001 reference with the fact that the magazine in which it appears was the fifth in the line. The point remains unexplained.

26. The upshot is that I have insufficient information on the number of issues of the magazine, the dates on which they were published, the number produced, the number of recipients, revenues received etc. to form any kind of assessment of the goodwill that might have accrued (as to which see *Reef Trade Mark* [2002] R.P.C. 19 at paragraphs 27 and 28). As matters stand I do not see how the opponent can succeed under this head on the material before me.

27. The copyright claim under Section 5(4)(b) is pleaded as an alternative ground but in my view is misconceived. It is generally accepted that there is no copyright in a name or title including the titles of books and newspapers etc. for fear of conferring a monopoly on part of the English language (see Copinger and Skone James on Copyright at 3-16). It seems to me that this claim may be confusing the rights to the name of the magazine on the one hand with copyright in the design, layout and content of the magazine on the other. These latter areas are dealt with in clauses 5.2 and 5.3 of the June 2001 agreement.

28. However, the Courts have been careful not to rule out completely the possibility that titles could enjoy copyright protection (a point acknowledged in Copinger and Skone James). A User's Guide to Copyright by Flint, Fitzpatrick and Thorne (Butterworths Fifth Edition) also suggests that:

“3.02 The title of a book, film or song will not have copyright protection in the UK unless it is so elaborate that sufficient skill and labour must have been involved in its invention so as to allow it to qualify as a literary work in its own right”.

29. I very much doubt whether the magazine title Bumps & Babies would qualify for copyright protection in this way. The real issue in this case is the failure on the part of the applicant to acknowledge the intended shared ownership provision envisaged in the agreement by applying for the mark in its own name rather than jointly with the opponent (or one of them). That issue is properly dealt with under Section 3(6).

30. The opposition has succeeded. The opponent is entitled to a contribution towards its costs. I order the applicant to pay the opponent the sum of £1200. 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 6th day of September 2007

**M REYNOLDS
For the Registrar
The Comptroller-General**