

O-303-07

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2400494
BY ABLE C & C CO. LIMITED
TO REGISTER THE TRADE MARK**



IN CLASS 3

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 94159
BY MARY QUANT COSMETICS JAPAN LTD.**

BACKGROUND



1) On 31 August 2005, Able C & C Co. Ltd, of A-3F SK, Twintech Tower Bldg, 345-9 Gasan-dong, Geumcheon-gu, Seoul 153-773, Republic of Korea applied under the Trade Marks Act 1994 for registration of the following trade mark:



2) In respect of the following goods in Class 3: “Nourishing creams, eyebrow pencils, lipsticks, mascara, nail polish, liquid foundations, blushers, sunscreen creams, skin lotions, skin fresheners, skin cleansing cream, eye shadow, eau de cologne, lotions for face and body care, cold creams, solid powder for compacts, creamy foundations, skin whitening creams, perfumes, hair lotions, detergents prepared from petroleum for household cleaning use, liquid soaps, cleansers for detergent purposes, bath soaps, cosmetic soaps, shampoos, hair rinses.”.

3) On 17 February 2006, Mary Quant Cosmetics Japan Ltd of Aoyama Taiyo Building, 1-7-6 Shibuya, Tokyo 150, Japan filed notice of opposition to the application. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade marks:

Mark	Number	Effective date	Published date	Class	Specification
	888980	07.01.66	01.03.67	3	Non-medicated toilet preparations; cosmetic preparations, soaps, perfumes, preparations for the teeth, and hair and toilet articles included in Class 3.
	996393	04.08.72	01.10.75	3	Non-medicated toilet preparations; cosmetic preparations, soaps, perfumes, preparations for cleaning the teeth, and toilet articles included in Class 3.

b) The opponent claims that the goods are identical and/or similar and that the marks are confusingly similar. The mark therefore offends against Sections 5(2)(b), 5(3), 5(4)(a) and 56 of the Trade Marks Act 1994.

c) The opponent also claims that “It is apparent from information obtained and exchanged in the context of conflicts that have been encountered and instances of litigation that are on-going with the applicants in, *inter alia*, South Korea and Hong Kong that the mark applied for was derived in bad faith and should be refused registration under the provisions of Section 3(6) of the Trade Marks Act, 1994.” It is also claimed that due to the world wide fame of the opponent’s marks the applicant has no bona fide intention to use the mark applied for.

4) The applicant subsequently filed a counterstatement denying the opponent’s claims and also puts the opponent to proof of use. They point out that Mary Quant Ltd is not a party to the proceedings. The applicant states that it does have a bona fide intention of using the mark in suit. The applicant accepts that the goods applied for are similar to those of the opponent’s registered marks.

5) Only the opponent filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 5 September 2007 when the opponent was represented by Mr Hicks of Counsel instructed by Messrs Frank B Dehn & Co. The applicant was not represented.

OPPONENT’S EVIDENCE

6) The opponent filed a witness statement, dated 12 January 2007, by Michael Robert Arnold the Company Secretary of Mary Quant Ltd a wholly owned subsidiary of the opponent company, a position he has held for six years. He states that the opponent is a leading global corporation in the cosmetic and fashion industries and the proprietor of the brand name MARY QUANT and the logo mark known as the Mary Quant Daisy, hereinafter MQD. He states that the MQD was first used in 1961, with the first trade mark registration in 1966. He states that the MQD has been used continuously since 1966. At exhibit MQCJL2 he provides pages from “A Dictionary of Modern Design” which shows a picture of Ms Quant with a large MQD behind her. This book was published in or after 2004 as in the list of illustrations it has a date of 2004 attributed to an Ikea entry. At exhibit MQCJL3 he provides cuttings from magazines dated 1994-1999 which mention Mary Quant and also feature the MQD.

7) At exhibit MQCJL4 he also provides copies of what are described as advertising materials, press material, sample packaging and photographs of cosmetic products. All have the MQD shown on them but, with the exception of two pages which have written on them “Vogue (US)” September 1999 and November 1999, they are not dated nor is it clear of which magazine, if any, they were part of, or to whom they were sent, or by whom they were seen.

8) At exhibit MQCJL 5 he provides pages from a book entitled “Mary Quant Classic Make-Up & Beauty Book” which also features the MQD in the title after the name Mary Quant. On five of the six pages provided thereafter the MQD is featured, usually on a cosmetic item such as mascara. This has a copyright date of 1996.

9) Mr Arnold states that sales of products bearing the MQD over the last forty years have been vast. However, he states that he is unable to accumulate the figures from licensees. He estimates that globally the sales figures of products bearing or advertised under the MQD are £39 million in 2002, £45 million in 2003 and £47 million in 2004. At exhibit MQCJL 6 he provides the monthly trading reports for August 2002, September 2002, and April 2004 for the Mary Quant shop in London. This shows a wide range of cosmetics being sold, although it does not provide revenue figures only units sold. A number of the cosmetic items are identified at exhibit MQCJL 7 and photographs of the items are provided at exhibit MQCJL 8 which shows use of the MQD solus on the lid of containers for eye shadow, face powder and lipstick, and on the outside of the container for mascara. Most of the other cosmetics and toiletries showed the MQD in conjunction with the name MARY QUANT. Mr Arnold states that the MQD is also used on the opponent's internet sites. He provides copies of pages from the sites but none appear to be in English.

10) Mr Arnold refers to the opponent's international reputation which is a consequence he states of the extensive sales, advertising and promotion of the name MARY QUANT and the MQD. He states that in Japan the company has two hundred stores. He also refers to a decision in the French courts regarding an infringement of the MQD. He states that in Spain five petal daisies are rejected as being similar to the MQD. He provides details of some of these cases at exhibit MQCJL 12. He also refers to actions in Chile, New Zealand and Australia. In addition he lists actions between the parties in Korea, Taiwan and Hong Kong, where the opponent has been successful in opposing the applicant's applications for five petal daisies and also having injunctions granted. He also states that criminal proceedings are contemplated in these countries. Given this history he states that the applicant was clearly aware of the opponent's mark at the time of filing the application.

11) That concludes my review of the evidence. I now turn to the decision.

DECISION

12) The first ground of opposition is under section 5(2)(b) which reads:

“5.-(2) A trade mark shall not be registered if because -

(a)....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

13) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

(a) a registered trade mark, international trade mark (UK), Community trade mark or International Trade mark (EC) which

has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

14) The opponent is relying upon its trade marks 888980 and 996393 which have effective dates of 7 January 1966 and 4 August 1972 respectively, both of which are clearly earlier trade marks.

15) The opposition was filed on 17 February 2006. I must therefore consider the position under The Trade Marks (Proof of Use, etc.) Regulations 2004, paragraph six of which states:

“6A Raising of relative grounds in opposition proceedings in cases of non-use.

(1) This section applies where-

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if-

- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes-

- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
- (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

16) In the instant case the publication date of the application was 18 November 2005. Therefore, the relevant period for the proof of use is 19 November 2000 – 18 November 2005. I must first consider whether the opponent has fulfilled the requirement to show that genuine use of the mark has been made.

17) The opponent provided, at exhibit MQCJL6, of its evidence sales volume figures for its London store for August and September 2002 and also April 2004. Also, at exhibit MQCJL7 it provided photographs of such items. These showed that the items listed bore one or other of the marks relied upon. This, in my view is sufficient to satisfy this requirement.

18) In determining the question under section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG and Adidas Benelux B.V.* [2000] E.T.M.R 723.

19) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion, I am guided by the judgements of the European Court of Justice mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. Furthermore, I must compare the applicant's mark and the marks relied upon by the opponent on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods covered within the respective specifications.

20) The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was considered by David Kitchin Q.C. sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchin concluded at paragraph 17 of his decision:

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”




21) I also have to consider whether the marks that the opponent is relying upon have a particularly distinctive character either arising from the inherent characteristics of the marks or because of the use made of them. The marks as registered are inherently distinctive. The opponent claims to have been using its marks for over forty years and claims that they are well known. This premise is based upon the evidence filed. This includes magazine articles dated seven years prior to the opposition and published in the USA, a book published by the opponent in 2004, and an entry in a dictionary of Modern Design. The sales volumes quoted for 2002 and 2004 in the UK are not valued but the volumes seem rather small when one takes into account the size of the cosmetics market in the UK. The only sales figures provided are global figures and these are relatively small at approximately £43 million per annum in the three years prior to the relevant date. It was accepted at the hearing that the UK market for cosmetics would be registered in the hundreds of millions whereas the global figure would be immense. The opponent’s contention seemed to be based on the fact that the name MARY QUANT and the MQD were very well known in the early sixties and would remain so at the relevant date. Whilst I am willing to accept that the name Mary Quant would probably be recognised by most in the population, the reputation of the MQD even in the sixties has not been established by evidence in this case, let alone whether that alleged reputation still lingers. The opponent cannot rely upon any enhanced protection on the basis of reputation.

22) It was common ground at the hearing that the specifications of both parties are identical.

23) I must also consider the average consumer for the types of goods in Class 3. The average consumer must be the general public, who must be considered to be reasonably well informed and reasonably circumspect and observant. In my view,

cosmetics are not purchased without some consideration. Although I must take into account the concept of imperfect recollection.

24) I now move onto consider the marks of the two parties which are as follows:

Applicant's mark	Opponent's marks
	 <p>(888980)</p>
	 <p>(996393)</p>

25) I shall begin by comparing the opponent's mark 888980 with the mark in suit. The opponent's mark contains the words "MARY QUANT" and also the MQD device. The opponent contended that the word element of the applicant's mark would be meaningless to the average consumer and so the main focus would be upon the device element. It was also contended that the stalk element of the device would be overlooked. I accept that the word element of the applicant's mark would be meaningless. At the hearing it was common ground that it would be viewed as "MISSHA" and that this would be seen as an invented term.

26) Clearly, when compared aurally there is a considerable difference in the two parties marks. However, as cosmetics would probably be chosen more by eye it is the visual comparison that is the more crucial test. Both marks have a word and device element. Both words begin with the letter "M". The words in the opponent's mark, MARY QUANT, are clearly the name of an individual whereas the word in the mark in suit, MISSHA, does not suggest an individual or indeed signify anything. The device elements are clearly both flowers, but one has a very long stalk whereas the other is a "bird's eye" view of the head of a flower only. Conceptually the opponent's mark is a name and a flower device, whereas the mark in suit is an invented word and flower device. To my mind the differences far outweigh the similarities.

27) Moving onto the opponent's second mark, 996393. This consists of the flower device only. There is no word element. There are obvious differences aurally and visually with only a small element of similarity in that they both have a flower device although even these are different. Again, in my opinion, the differences far outweigh any similarities.

28) Taking account of all of the above when globally considering both of the opponent's marks to the mark in suit, I have no hesitation in stating that there is no likelihood of consumers being confused into believing that the goods provided by the

applicant are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2)(b) therefore fails.

29) I now turn to the ground of opposition under Section 5(3) of the Act which in its original form reads:

"5-(3) A trade mark which -

(a) is identical with or similar to an earlier trade mark, and

(b) is to be registered for goods or services which are not similar to those for which the earlier mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."

30) By virtue of regulation 7 of the Trade Mark (Proof of Use, etc) Regulations 2004, Section 5(3)(b) has now been repealed. The equivalent provision in Section 10 of the Act dealing with infringement has also been amended. As the explanatory note indicates:

"These amendments implement the decision of the European Court of Justice in *Davidoff & Cie SA and Zino Davidoff SA v Gofkid Ltd* of 9th January 2003 (C-292/00) which was confirmed by its decision in *Adidas-Salomon AG and Adidas Benelux BV v Fitnessworld Trading Ltd* of 23rd October 2003 (C-408/01). Those decisions determined that Article 5(2) of the Directive, which on the face of it, grants a right to the proprietor of a trade mark to prevent third parties from using an identical or similar trade mark in relation to goods or services which are *not similar* where the earlier trade mark has a reputation and the use of that sign takes unfair advantage or is detrimental to the distinctive character of that earlier trade mark, also applies to goods or services which are similar or identical to those for which the earlier trade mark is registered."

31) The opponents' claim here is based on the fact that the respective goods are similar, and which would therefore take unfair advantage of, or be detrimental to the distinctive character of the repute of the opponent's marks.

32) The scope of the Section has been considered in a number of cases notably *General Motors Corp v Yplon SA (Chevy)* [1999] ETMR 122 and [2000] RPC 572, *Premier Brands UK Limited v Typhoon Europe Limited (Typhoon)* [2000] RPC 767, *Daimler Chrysler v Alavi (Merc)* [2001] RPC 42, C.A. *Sheimer (M) Sdn Bhd's TM Application (Visa)* [2000] RPC 484, *Valucci Designs Ltd v IPC Magazines (Loaded)* O/455/00, *Mastercard International Inc and Hitachi Credit (UK)Plc* [2004] EWHC 1623 (Ch) and *Electrocoin Automatics Limited and Coinworld Limited and others* [2005] FSR 7.

33) In relation to reputation under Section 5(3), *General Motors Corporation v Yplon SA* [2000] RPC 572 paragraphs 26 & 27 indicate the standard that must be reached:-

“26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.”

34) This test sets out a high threshold, and the onus is upon the opponent to prove that its trade marks enjoy a reputation or public recognition. At paragraph 19 above I have determined that the opponent has not shown that it has sufficient reputation in its marks. The evidence filed by the opponent does not, in my opinion, enable the opponent to overcome what is acknowledged as a high threshold.

35) Taking into account the strict requirements which need to be satisfied under Section 5(3) to expand the parameters of “normal” trade mark protection I cannot find that the opponent has shown reputation under Section 5(3) of the Act and the opposition under Section 5(3) must fail on this basis.

36) In case I am wrong in this conclusion I will consider whether the mark in suit will take unfair advantage of or be detrimental to the opponent’s marks.

37) I note the following comment from Mr Geoffrey Hobbs Q.C. (sitting as a Deputy Judge) in *Electrocoin Automatics Limited and Coinworld Limited and Others* [2005] FSR 7:

“ 102. I think it is clear that in order to be productive of advantage or detriment of the kind prescribed, ‘the link’ established in the minds of people in the market place needs to have an effect on their economic behaviour. The presence in the market place of marks and signs which call each other to mind is not, of itself, sufficient for that purpose.”

38) It seems to me that the opponent has singularly failed to show that the use of the mark in suit on the goods which are identical to its own would cause detriment. I believe that this is a case where use of the mark in suit on cosmetics would not call to mind the opponent’s marks and its claimed reputation for such items. Whilst the mark in suit does have a flower device which is reasonably similar to the MQD, the effect is such that the flower device forms only a small part of the overall impression. The main element of the mark is the word element MISSHA. The flower device in the mark in suit is inextricably linked into the word element and would not, in my view, be seen as being a secondary mark. I do not believe that the mark in suit would bring to mind the opponent’s marks. However, even if it did I do not believe that it would affect the consumer’s economic behaviour or damage the opponent’s marks by tarnishing or blurring. Thus the ground under Section 5(3) would fail even if it had passed the reputation test.

39) I now turn to consider the opposition under section 5(4)(a) which reads:

“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

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.”

40) In *South Cone Inc. v. Jack Bessant, Dominic Greensmith, Kenwyn House, Gary Stringer (a partnership)* [2002] RPC 19 Pumrey J. in considering an appeal from a decision of the Registrar to reject an opposition under Section 5(4)(a) said:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent’s reputation extends to the goods comprised in the applicant’s specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd’s Application (OVAX)* [1946] 63 R.P.C. 97 as qualified by *BALI Trade Mark* [1969] R.P.C. 472). Thus, the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date.”

41) This cannot be interpreted in a prescriptive fashion. There will be occasions when the evidence does not fall within the above parameters but still establishes goodwill for passing off purposes - see the decision of Professor Annand, sitting as the Appointed Person, in *Loaded* BL 0/191/02.

42) Earlier in this decision I found that use of the mark in suit, actual or on a fair and notional basis would not result in confusion with the opponent’s marks. Accordingly, it seems to me that the necessary misrepresentation required by the tort of passing off will not occur. The opposition under Section 5(4)(a) of the Act must fail.

43) Lastly, I turn to consider the ground under Section 3(6) which reads:

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

44) Section 3(6) has its origins in Article 3(2)(d) of the Directive, the Act which implements Council Directive No. 89/104/EEC of 21 December 1988 which states:

“Any Member State may provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where and to the extent that...

(c) the application for registration of the trade mark was made in bad faith by the applicant.”

45) The Directive gives no more clue as to the meaning of “bad faith” than the Act. Subsequent case law has avoided explicit definition, but has not shirked from indicating its characteristics. In *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367, Lindsay J stated at 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.”

46) The Privy Council considered earlier authorities in *Barlow Clowes International Ltd (in liquidation) & Others v Eurotrust International Limited & Others*, [2005] UKPC 37. In particular, their Lordships considered a submission from Counsel that an inquiry into the defendant’s views about standards of honesty is required. The following passage from Lord Hoffman’s judgment sets out the position as follows:-

“14...[Counsel for the defendant] relied upon a statement by Lord Hutton in *Twinsectra Ltd v Yardley* [2002] 2 AC 164, 174, with which the majority of their Lordships agreed:

“35. There is, in my opinion, a further consideration which supports the view that for liability as an accessory to arise the defendant must himself appreciate that what he was doing was dishonest by the standards of honest and reasonable men. A finding by a judge that a defendant has been dishonest is a grave finding, and it is particularly grave against a professional man, such as a solicitor. Notwithstanding that the issue arises in equity law and not in a criminal context, I think that it would be less than just for the law to permit a finding that a defendant had been ‘dishonest’ in assisting in a breach of trust where he knew of the facts which created the trust and its breach but had not been aware that what he was doing would be regarded by honest men as being dishonest.

“36. I consider that the courts should continue to apply that test and that your Lordships should state that dishonesty requires knowledge by the defendant that what he was doing would be regarded as dishonest by honest people, although he should not escape a finding of dishonesty because he set his own standards of honesty and does not regard as

dishonest what he knows would offend the normally accepted standards of honest conduct.”

15. Their Lordships accept that there is an element of ambiguity in these remarks which may have encouraged a belief, expressed in some academic writing, that *Twinsectra* had departed from the law as previously understood and invited inquiry not merely into the defendant’s mental state about the nature of the transaction in which he was participating but also into his views about generally acceptable standards of honesty. But they do not consider that this is what Lord Hutton meant. The reference to “what he knows would offend normally accepted standards of honest conduct” meant only that his knowledge of the transaction had to be such as to render his participation contrary to normally acceptable standards of honest conduct. It did not require that he should have had reflections about what those normally acceptable standards were.

16. Similarly in the speech of Lord Hoffmann, the statement (in paragraph 20) that a dishonest state of mind meant “consciousness that one is transgressing ordinary standards of honest behaviour” was in their Lordships’ view, intended to require consciousness of those elements of the transaction which make participation transgress ordinary standards of honest behaviour. It did not also require him to have thought about those standards were.”

47) On the basis of these authorities it is clear that a finding of bad faith may be made in circumstances which do not involve actual dishonesty. Furthermore, it is not necessary for me to reach a view on the applicant’s state of mind regarding the transaction if I am satisfied that its action in applying for the mark in the light of all the surrounding circumstances would have been considered contrary to normally accepted standards of honest conduct.

48) In terms of the date at which the matter falls to be considered, it is well established that the relevant date for consideration of a bad faith claim is the application filing date or at least a date no later than that (*Hotpicks Trade Mark*, [2004] RPC 42 and *Nonogram Trade Mark*, [2001] RPC 21).

49) The opponent also raised the issue of applications filed by the applicant to register a variety of trade marks in various countries. The implication was that the behaviour of the applicant in other jurisdictions should be taken into account in the instant case. The major problem with this contention is that the full facts of each case, the regulations and market conditions in each of these jurisdictions is not known. Whilst I take note of the facts as set out in the evidence this is not conclusive. In the UK it would appear that the applicant has sought to register the mark in suit and one other. As the instant mark is not, in my opinion similar to the opponent’s mark it follows that the mark was not, in my view, made in bad faith.

50) Further, other jurisdictions decisions regarding the similarity of marks are not binding upon the Registry and so the fact that the applicant has been refused the mark in suit in other countries is of no relevance in the instant case.

COSTS

51) As the opponent was unsuccessful the applicant is entitled to a contribution towards its costs. I order the opponent to pay the applicant the sum of £500. This sum 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 16th day of October 2007

**George W Salthouse
For the Registrar,
the Comptroller-General**