

O-183-09

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2466003  
IN THE NAME OF COMPETITORS COMPANION LIMITED

AND

OPPOSITION THERETO UNDER NO 96793  
BY ACCOLADE PUBLISHING LIMITED

## TRADE MARKS ACT 1994

IN THE MATTER OF application  
No 2466003 in the name of  
Competitors Companion Limited  
and opposition thereto under  
No 96793 by Accolade Publishing Limited

### **Background**

1. Application No 2466003 was applied for on 4 September 2007 and is for the mark Competitors Companion. It stands in the name of Competitors Companion Limited ("CC"). Registration is sought in respect of the following services:

*Class 38: Internet portal services; provision of electronic data, sound and video links; operating web logs (blogs)*

*Class 41: Provision of online competitions and puzzles*

2. Following publication in the *Trade Marks Journal*, Notice of opposition was filed on behalf of Accolade Publishing Limited ("AP"). There is a single ground of opposition based on Section 5(4)(a) of the Act. AP states that it has earlier rights in the mark Competitors Companion which it has used since 1981 in respect of a subscription based puzzle newsletter.

3. CC filed a counterstatement in which it states that it was incorporated on 3 February 2000 and launched its website on 5 May that same year. The website "now" has over 30,000 members and features competitions which can only be entered online. It also has a blog facility. The two parties are said to have been in contact for some time: in August 2007, CC received emails from Jellyfish who are a search engine marketing company working for AP, which sought to establish links to promote each other's business. The first indication from AP that they felt CC was infringing their Intellectual property rights came via an email exchange in February 2008 initiated by CC which advised AP that CC's business was for sale. Given that this indication came some eight years after the setting up of CC's business under the mark, CC claim that AP should be disallowed from making any claim based on passing off.

4. Both parties filed evidence but neither side requested to be heard. Written submissions in lieu of a hearing were received from AP only. After a careful review of all the evidence and submissions, I give this decision.

### **The evidence**

#### **AP's evidence**

5. This takes the form of a witness statement dated 4 September 2008 by Nigel Goldthorpe, AP's Managing Director. Mr Goldthorpe says that since 1981 a newsletter has been published under the title Competitors Companion. Originally it was published by a company called Chartsearch Ltd which was later bought by Columbus Publishing Ltd before being sold to Highbury House Communications plc. Highbury House plc sold seven of its publications, including Competitors Companion,

to AP in 2005. Mr Goldthorpe explains that he joined Highbury House plc in 2002 and transferred to AP in 2005. I have not been provided with any direct evidence to show that the sales including any transfer of goodwill but absent any direct contradictory evidence or challenge from CC on this point, I consider it reasonable to infer there was such a transfer.

6. Mr Goldthorpe states that the newsletter specialises in providing information about competitions and prize draws being run by third parties. It is said to provide all the information necessary to enter such competitions and prize draws including giving the answers to any questions which a competitor may be required to answer. It also features its own competitions/draws (Exhibit NG1 page 3). Exhibit NG1 consists of copies of the front page of several newsletters entitled Competitors Companion and dating from September 1981, December 1983, December 1993 and April 2008 (the latter dates from after the relevant date in these proceedings but I note that it bears the legend "issue 319". I shall return to this later in this decision). The exhibit also contains a letter bearing the heading Competitors Companion addressed to "Dear Member" and is dated March 1988.

7. Mr Goldthorpe says that within its market the newsletter is considered to be the number one brand and support for this can be found on the front page of the April 2008 edition as included in NG1. At NG2 he exhibits a number of photocopies showing extracts from various newspapers and/or magazines. They consist of:

- Article of unknown date with no indication on it of the publication in which it was published. It refers to a "comping magazine" called Competitive Companion put out by a couple called Steve & Kathy Walker but its relevance is not explained and I can find no reference to AP or its predecessors in business or to its mark;
- Article from the Sunday Mirror of July 16 2006. This article reports a lady's success at winning competitions but again makes no mention of AP or its mark;
- Article from "Moneywise" of January 2007. It features the same lady as shown in the Sunday Mirror article referred to above. Within a separate (inset) box details are given of a number of publications and website addresses which provide "dedicated comper publications" which include a reference to AP and its newsletter;
- Extract from an unidentified publication date stamped 25 September 2007 (and therefore after the relevant date in these proceedings). It refers to a subscription newsletter available under the title Competitor's Companion.

8. In addition to its newsletter, AP owns the competitorscompanion website which it says was developed on its behalf by a company called Jellyfish, who are responsible for its marketing and promotion. The site has been running since 1999 and is used to promote the newsletter. Mr Goldthorpe accepts that a member of the Jellyfish staff did approach CC via email, as specified by CC in its counterstatement, to suggest establishing a link between CC's and AP's websites but says that this was done without AP's knowledge.

9. Mr Goldthorpe says that whilst CC's website might have been in operation since 2000, its market impact was so small that he was not aware of it until 2006. He then contacted CC to explain that his customers were being confused and to enquire whether "it would be possible for both parties to come to a mutually acceptable arrangement to clarify the situation". At NG3 he exhibits a copy of the brief email exchange between him and CC's Neil Phillips dating from January 2007. This shows that Mr Phillips indicates that CC has also had confused customers. It also indicates that he is amenable to having further discussions with a view to resolving matters. This exchange of correspondence makes it clear that at the time it filed its application for registration CC was aware of AP's competing use of the mark.

10. Mr Goldthorpe says he was contacted by CC in February 2008 to establish whether AP would be interested in buying CC's business. As this option was thought likely to be able to stop further confusion and obviate the need to commence legal proceedings, AP asked for further information whilst reserving its rights. In the event CC did not pursue the matter.

### **CC's Evidence**

11. This takes the form of a witness statement dated 3 December 2008 by Neil Christopher Phillips, the Managing Director of CC since February 2000. Mr Phillips repeats the information provided in the counterstatement about the setting up of CC's business and website which I do not intend to repeat. Mr Phillips exhibits the following:

- NCP1- copies of the email exchange between the two parties dating from January 2008 about the offer for sale of CC's business and website;
- NCP2 –copy of email exchange dated 8 February 2008 confirming AP's interest in the above and asking for further information. The emails contain an indication that AP considers CC to be infringing its intellectual property rights and seeks to preserve its position in this respect. Mr Phillips indicates that because of this reservation AP is no longer regarded as a prospective purchaser. He disputes that Mr Goldthorpe expressed an interest in buying CC's business to avoid legal action but gives no alternative explanation;
- NCP3 - a summary of AP's company accounts for year ending 31 December 2007;
- NCP4- copies of an email exchange between Jellyfish and CC. Mr Phillips says Jellyfish were working for AP;
- NCP5- A copy of the "about us" page from CC's website;
- NCP6 -A copy of the "Frequently asked questions" page from CC's website which indicates it does not produce a magazine;
- NCP7 -A copy of the home page of AP's website;
- NCP8 -A copy of the "about us" page from AP's website.

12. Mr Phillips says that CC's website has a blog facility where visitors have left several hundred comments but none have related to AP's newsletter nor do they contain anything which suggests any confusion as to whether CC is connected to AP. He accepts that he emailed Mr Goldthorpe in January 2007 and gave figures of the number of queries he received from confused customers but states that he "now" only gets approximately two per year.

13. Mr Phillips says there are "vast differences" between AP's and CC's respective goods and services:

- AP's newsletter is produced monthly and distributed by post whereas CC's website is updated daily;
- AP's newsletter features around 200 various types of competition including those to be entered by post whereas CC's website features 500 competitions a month which are entered online;
- AP charges for its newsletter (usual "current" rate £59.50) whereas CC's website is free to the "vast majority" of its customers though a minority choose to pay £10 for an "upgrade". There is no indication of what this upgrade might be or when it became available;
- AP's newsletter features an entry form exchange service, "comper " of the month article, "winformation" about winning slogans from recent competitions and a "mags to riches" section featuring competitions available in other magazines where as CC's website has none of these things; and
- AP does not have a blog facility whereas CC's website does.

14. No further evidence was filed by either party.

### **The law**

15. There is a single ground of opposition based on section 5(4)(a) of the Act. This states:

"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) .....

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."

16. In its counterstatement CC comments that it does not consider AP to have any "genuine case in claiming "passing off" because AP "had over 8 years [since CC's business was established] to initiate a legal claim [-] and yet they have not done so".

17. Whilst it is not denied that CC began its business in February 2000 and set up its website in May of that year, Mr Goldthorpe says that its market impact was so small that he did not become aware of it until 2006. The evidence shows that Mr Goldthorpe, on behalf of AP, contacted Mr Phillips of CC by email in January 2007 advising him that AP owned the “competition listing publication” called “Competitors Companion” that he had received queries from confused customers and suggesting both parties should have further discussions.

18. In August 2007 there was an exchange of email correspondence between CC and Jellyfish regarding the possibility of a link being added to CC’s website to promote AP’s publication. In the course of that correspondence CC made it clear that the earlier discussions with AP “led nowhere”. The correspondence with Jellyfish did not lead anywhere either and, in any event is said to have been carried on without the knowledge of AP itself.

19. In September 2007 CC filed its application for registration the subject of this decision. The application proceeded to publication in the *Trade Marks Journal* in January 2008. CC then made an approach to AP in February 2008 to see if it was interested in buying the CC business and website but those discussions also led nowhere. AP lodged its opposition in April 2008.

20. From the time Mr Goldthorpe became aware of CC there is evidence of regular contact between the parties. Mr Goldthorpe indicates that he was hopeful of the parties reaching some mutually beneficial arrangement so that litigation could be avoided. That seems to me to be a reasonable approach and I therefore go on to consider the claim for passing off in more detail.

21. The requirements for a passing off action have been restated many times and can be found in the decision of Geoffrey Hobbs Q.C. sitting as the Appointed Person in *Wild Child Trade Mark* [1998] RPC 455. Adapted to the current opposition proceedings, the three elements that must be present can be summarised as follows:

- (1) that the opponent’s goods 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 the goods or services offered by him are those of the opponent; and
- (3) that the opponent has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the applicant’s misrepresentation.

22. Clearly there is an evidential burden on an opponent who relies on a passing off claim, a claim that has to be established at the relevant date. The Act does not set out the relevant date but Article 4.4(b) of First Council Directive 89/104 makes clear the position. It states:

“(b) rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed for the application for registration of the subsequent trade mark and that non-registered trade mark or other sign confers on its proprietor the right to prohibit use of a subsequent mark;”

23. The relevant date therefore may be either the date of the application for the mark in suit (although not later), or the date at which the acts first complained of commenced – as per the comments in *Cadbury Schweppes Pty Limited v The Pub Squash Co Pty Ltd* [1981] RPC 429. Whilst CC claims to have set up its website on 5 May 2000 it is not clear whether this is when the site first went live nor is it clear exactly what was available on that site at that time. Neither is there any evidence of when the site received its first visitor. In all the circumstances I intend to take the relevant date as the date of application for the registration of the mark though I should say that I do not consider my findings would be any different had I taken the earlier date of 5 May 2000 as the relevant date.

24. With these considerations in mind I turn to assess the evidence filed as set out earlier in this decision. Before I do so, I should perhaps mention that Mr Goldthorpe has claimed in his evidence that the websites of the two parties are in direct competition with each other. But given that AP’s claim as pleaded is based solely on its use of the mark on its printed newsletter this is all I can take into account. It is accepted that AP’s newsletter has been published in paper form, by it or its predecessors in title, since 1981 under the title *Competitors Companion*. (I note that sometimes an apostrophe is used within the mark though for the purposes of this decision, nothing rests on this). The newsletter is published monthly and, although the style of the newsletter has changed over the years, that use appears to have been continuous. I say this because the edition of the newsletter issued in April 2008 is said to be edition No 319 which, given it is a monthly publication, would correspond to the first edition having an issue date of September 1981.

25. I have not been provided with any evidence which establishes the size of the market for this type of publication but the evidence exhibited at NG1 and NG2 indicates there to be a number of providers with AP’s being the number one in that market within the UK. I have not been provided with any information as to the scale of any advertising AP may have carried out under its mark but it is not disputed that since 1999 it has employed a marketing company to develop its website so as to advertise and promote its newsletter via the Internet: that site also indicates the newsletter to be the number one in the market. Whilst CC has provided a copy of AP’s abbreviated Balance Sheet for the year ending 31 December 2007, I have not been provided with any information about the turnover AP has under the mark nor of the number of subscribers it might have had at any given point in time. Nevertheless, AP says its newsletter has been provided by subscription for a cost (which is supported by the evidence exhibited at NG3 regarding “overpayments”) and, given the evidence filed by CC at NCP8, continues to be so.

26. AP’s evidence is not at all comprehensive and is subject to a fair degree of criticism, however, it has not been challenged by CC and in some aspects has been supported and indeed enhanced by CC’s own evidence. Despite the paucity of some

aspects of the evidence, I am satisfied, on the balance of probabilities, that AP has established goodwill in the business conducted under the mark within the UK though I am unable to gauge the extent of that goodwill.

27. Much is made in CC's evidence, as set out in paragraph 13 above, that the information it provides via its website differs from that provided by AP. I disagree. It is clear that both parties publish information about competitions and provide opportunities for people to enter those competitions. The fact that the media used by the two parties differ, in that one distributes its information on paper whilst the other does so via a website, internet portal or blog does not make the product itself different. Newspapers, for example, have been available in both formats for some considerable time and this is a circumstance with which the relevant consumer will be familiar. The evidence at NG2 lists what it calls "dedicated comper publications" which include both paper and Internet based versions. Leaving aside the fact that CC only charges for some of its services, any slight differences in the frequency of issue and/or updating of information, number of competitions featured and exact content of that information does not alter that view. This is supported by the evidence which makes it clear that some of AP's customers have approached CC to query overpayments of their subscriptions.

28. The mark Competitors Companion is clearly descriptive of what is provided by both parties-a guide or handbook for competitors. As such, it is a mark of very low distinctiveness and it is not perhaps surprising that two parties have come up with the mark apparently independently of each other. Having reached the conclusion that use of an identical mark for services which include those which are identical to those for which the earlier right enjoys goodwill, misrepresentation and damage are bound to result (*see Mecklermedia Corporation v D.C.Congress Gesellschaft mbH* [1997] FSR 627). Thus, the three limbs of the passing off test have been made out and the ground of opposition under section 5(4)(a) succeeds.

### **Costs**

29. AP has been successful and is entitled to an award of costs. Within the evidence there are clear indications that the parties had contact prior to the commencement of these proceedings but those contacts were brief and did not lead to any negotiated settlement. It seems to me that AP's response to CC's invitation to consider purchasing CC's business represents a reasonable business approach in an attempt to avoid the matter developing into substantive inter partes proceedings. Clearly nothing came of those contacts and inter partes proceedings have advanced to the stage of this decision. AP is entitled to a contribution towards its costs. In determining the appropriate award, I take into account that limited evidence was filed, that no hearing took place and that only one party filed written submissions. I therefore award costs to AP on the following basis:

Filing TM7	£300 & £200 fee
Reviewing Counterstatement	£200
Filing evidence	£200
Reviewing CC's evidence	£100
Preparing and filing written submissions	£200
Total	£1200



30. I order Competitors Companion Limited to pay Accolade Publishing Limited the sum of £1200. This sum is to be paid with 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 2<sup>nd</sup> day of July 2009**

**Ann Corbett  
For the Registrar  
The Comptroller-General**