

O-509-12

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO 2523489  
BY NEVILLE HENDRICKS TO REGISTER THE TRADE MARK**

**UNCONDITIONAL**

**IN CLASSES 3 AND 25**

**AND IN THE MATTER OF OPPOSITION  
THERE TO UNDER NO 99979  
BY PHILIP ALAN STEPHENS**

## **BACKGROUND AND PLEADINGS**

1) On 11 August 2009, Neville Hendricks applied under the Trade Marks Act 1994 ("the Act") for registration of the word mark UNCONDITIONAL in respect of the following lists of goods:

### **Class 3**

*Soaps, perfumery, essential oils; cosmetics, foundations, make-up; preparations for the skin, scalp, hands, nails and hair; dentifrices; preparations for sun protection, sun tanning and sun blocking; after sun creams; shaving preparations; non-medicated toilet preparations; anti-perspirants, deodorants for use on the person; depilatories; artificial nails and preparations therefor; artificial eyelashes and preparations therefor.*

### **Class 25**

*Clothing, footwear, headgear.*

2) The application was published in the Trade Marks Journal on 6 November 2009 and on 6 January 2010, Philip Alan Stephens filed notice of opposition to the application. The grounds of opposition are in summary:

a) The application offends under sections 5(1), 5(2)(a), 5(2)(b) and 5(3) because it consists of a mark that is identical or similar to an earlier Community Trade Mark (CTM) in the name of Mr Stephens and in respect of similar or identical goods. Mr Stephens also claims that his earlier mark has a reputation as a result of his activities as a fashion designer. The relevant details of Mr Stephens' earlier mark are as follows:

CTM 4086997

**UNCONDITIONAL**

Filing date: 22 October 2004

Registration date: 1 March 2006

### **Class 18**

*Leather and imitations of leather, and goods made of these materials and not included in other classes; handbags, rucksacks; briefcases, purses, wallets, card holders, key cases and holders; suitcases, articles of luggage, articles of luggage being bags, shopping bags, trunks and travelling bags, bags for carrying sports implements and sports clothing, boot bags, cases and bags for*

*toiletries, beauty cases; shoulder belts made of leather and imitation leather; umbrellas, parasols and walking sticks.*

#### **Class 24**

*Textiles and textile goods, not included in other classes; including textile goods for bathroom use, and for use as window coverings; wall coverings, furniture coverings, including cushion covers and pillow cases; blankets; window coverings; woollen fabrics; textile piece goods; apparel fabrics; handkerchiefs; textiles for making articles of clothing; textile substitute materials made from synthetic materials; household linen; vinyl, felt and non-woven textile fabrics; labels; bed and table covers; table mats; table runners; bed and table linen.*

#### **Class 25**

*Clothing, footwear, headgear; belts (clothing) made of leather and imitation leather.*

An earlier mark is defined in Section 6 of the Act as a mark that has a date of application for registration earlier than that of the mark in question. Mr Stephens' mark has an application date some five years before that of Mr Hendricks' application and therefore qualifies as an earlier mark. Further, Section 6A sets out the proof of use provisions and according to this, an earlier mark becomes subject to proof of use only where its registration procedure was completed before the start of the period of five years ending with the date of publication of the contested application. Mr Stephens' mark completed its registration procedure on 1 March 2006 being about three and a half years before the publication of the application. Therefore, it is not subject to the proof of use provisions.

b) The application offends under Section 5(4)(a) of the Act because use of the mark would constitute an act of passing-off against Mr Stephens' unregistered rights in a sign that corresponds to that of his CTM and also in the un-stylised word mark UNCONDITIONAL. Mr Stephens states that he has "acquired tremendous goodwill" as a result of his activities of designing and marketing clothing under the name since 2001. He provides, at Annex 2 of his counterstatement, a list of goods and services in respect of which his mark has been used. This list includes textiles and textile goods; clothing, headgear and footwear; handbags, purses, rucksacks, perfumery and scented candles. Use is claimed from 2008 in respect of the latter two goods. Mr Stephens states that the UNCONDITIONAL label is sold through leading fashion boutiques and major department stores in the UK such as Selfridges and Harrods.

c) The application offends under Section 3(6) of the Act because the applicant, Mr Hendricks is employed by a company which has been involved with requesting that Mr Stephens provide UNCONDITIONAL clothing for a publicity shoot. He claims that, in filing the application without his authorisation or consent, Mr Hendricks has acted in bad faith.

3) Mr Hendricks subsequently filed a counterstatement denying Mr Stephens' claims. He explains that the application was made as a part of his role in the management of the celebrity and recording artist, Peter Andre. At paragraph 2 of the counterstatement, Mr Hendricks states:

“The Applicant has, by way of a faxed letter to the UKIPO dated 22 March 2010, deleted class 25 in its entirety from the Application. Accordingly, the Applicant is proceeding in class 3 only”

4) The Registry has no record of the letter referred to and wrote to Mr Hendricks via his representative, Sceptre on 26 September 2010 requesting confirmation of his position on this issue, and again on 10 October 2010 informing Mr Hendricks that in view of the explicit nature of the statement referred to above, the Registry intends to treat Class 25 as being deleted from his application. No response has been received to either letter and, accordingly, Class 25 will be removed from Mr Hendricks' application and I will consider the opposition as being against an application in Class 3 only

5) Only Mr Stephens filed evidence and written submissions in these proceedings. Both sides ask for an award of costs. Neither side requested to be heard, but I take account of Mr Stephens' written submissions in lieu of a hearing.

### **Opponent's Evidence**

6) This takes the form of three witness statements. The first of these, dated 28 November 2011, is by the opponent himself, Mr Stephens. He explains that he is the designer and founder of the UNCONDITIONAL fashion label that is used in respect of clothing and other products. He states that his mark is used on signage inside and outside his stores and on all labelling attached to the clothing. He provides copies of labels and tags at the undated Exhibit PAS1 that illustrates use on a shirt and on a vest top. Mr Stephens also states that his mark also appears on signage in department stores that stock his designs.

7) Mr Stephens states that he first began using the UNCONDITIONAL brand in the year 2001, initially in relation to menswear in the form of cashmere knitwear and cashmere products such as throws and travel blankets. These were sold from his shop in Soho, London. He then states that he “launched the sale of UNCONDITIONAL clothing in 2002” when the label consisted of a collection of luxury menswear. In 2004 he also began designing women's wear.

8) Mr Stephens says that over the years, the profile of the UNCONDITIONAL label has been heightened by its many celebrity followers, including Madonna, David Bowie, Gwen Stefani, Cameron Diaz, Brad Pitt and many others. At Exhibit PAS3, he provides photographs of a number of celebrities wearing UNCONDITIONAL garments. No labels are visible in any of these photographs. The exhibit also includes a copy of an interview with the singer Will Young that appeared in *ES Magazine* on 30 November 2008 where, in response to “What is your favourite item in your wardrobe?” he states “My blue frock coat from Unconditional. I want to ride in the rain like Mr Darcy.”

9) Mr Stephens also refers to catwalk shows for UNCONDITIONAL garments staged during fashion weeks in London, New York and other, unspecified cities, sales through high end department stores and luxury boutiques and extensive media coverage, including in leading fashion titles such as *Elle* and *Vogue*. UNCONDITIONAL has shown as part of the official schedule at London Fashion Week for seven seasons between 2006 and 2011. Mr Stephens provides evidence in support of this at Exhibit PAS4 including:

- An extract from [www.londonfashionweek.co.uk](http://www.londonfashionweek.co.uk) promoting the UNCONDITIONAL catwalk show on 18 September 2011. Eleven stockists are listed and include *Unconditional London*, *Unconditional Manchester* and *Selfridges* as well as a number of overseas outlets;
- An extract from [www.vogue.co.uk](http://www.vogue.co.uk) providing photographs from the UNCONDITIONAL catwalk show for the Spring/Summer 2008 season and illustrates both men’s and women’s clothing. Under the heading “More Unconditional” are links to its ready-to-wear collections for seasons going back to Spring/Summer 2007;
- Extracts from [www.fuk.co.uk](http://www.fuk.co.uk) dated 16 September 2007 and 19 September 2006 respectively, discussing the UNCONDITIONAL shows at the London Fashion Weeks Spring/Summer 2007 and 2008. The first article states “Unconditional always provides clean, casual clothing that looks like it’d be a joy to wear” and “We all know that Stella’s the hot ticket this week with her adidas collection but we doubt she’s going to take the crown from the reigning urban/sportswear king of London Fashion Week – Mr Unconditional himself, Philip Stephens”;
- An extract from the website [www.quintessentially.com](http://www.quintessentially.com) dated 12 September 2011 and promoting the UNCONDITIONAL after-show party.

10) Mr Stephens also states that when he has not been involved in London Fashion Week he has shown collections abroad, namely, Amsterdam Fashion Week (2011 and 2012), Shanghai Fashion Week (2006) and New York Fashion Week (twice in 2009). Attendance at the New York event is supported by internet

articles provided at Exhibit PAS5 and attendance at the Shanghai event is supported by a brochure and Internet articles provided at Exhibit PAS6.

11) Mr Stephens' Manchester store opened in July 2011 as evidenced by the news article that appeared on the website [www.thenatter.co.uk](http://www.thenatter.co.uk), a copy of which is provided at Exhibit PAS9. Mr Stephens states that he has also been operating the website [www.unconditional.uk.com](http://www.unconditional.uk.com) since 2006 and that sales of garments have been made from this website since 2010. Extracts from the website are provided at Exhibit PAS10. This was printed on 25 November 2011 and prominently carries the UNCONDITIONAL mark. Links entitled "Shop Womenswear", "Shop Menswear" and "Shop Homeware" appear at the top left of all the pages. The extracts also show a list of stockists of UNCONDITIONAL goods. Five are listed in London and fourteen elsewhere in England and one in Aberdeen and at Exhibit PAS11, Mr Stephens provides photographs of an UNCONDITIONAL shop display from the department store *Selfridges*.

12) At Exhibit PAS12, Mr Stephens provides examples of UNCONDITIONAL "look books" for various seasons between Spring/Summer 2005 and Autumn/Winter 2007/8 illustrating the main retail outlets in the UK and abroad where UNCONDITIONAL clothing is available.

13) Mr Stephens states that as a result of UNCONDITIONAL's status in the industry and because of its patronage by celebrities, the brand has attracted substantial media coverage. Copies of such articles are provided at Exhibit PAS18 and include an article from the *Sunday Independent* newspaper of 19 August 2007 and states that "Unconditional is one of the hottest, most talked about label on the London scene right now". A copy of a page from *Pride Life* magazine, dated "Winter 2009" talks about Phillip Stephens "the talent behind the Unconditional label" and states that "Anyone who knows anything about high-quality, downright sexy fashion" will know about Mr Stephens. Also provided are copies of articles that name or promote UNCONDITIONAL clothing in the *Financial Times How to Spend It* supplement, *Elle* magazine, *Attitude* magazine, *The Daily Express* newspaper and a number of other publications.

14) Mr Stephens states that, like other designers, he has taken steps to expand his brand into other product areas and that he has recently moved into producing cashmere throws. Since 2008 he has also been working with a Parisian perfume house to develop a line of scented candles. These went into production in August 2009. Photographs of these candles are provided at Exhibit PAS19a.

15) The second witness statement is by Sarah Lee Kelly, Solicitor at Pitmans SK Sport and Entertainment LLP, Mr Stephens' representatives in these proceedings. This consists exclusively of submissions that I will not detail here, but I will keep in mind when making my decision.

16) The third witness statement is by Mark Christopher O’Flaherty, a London-based photographer and journalist. His work initially focussed upon music and fashion but, more recently, he has expanded into other areas. He states that he writes lead articles “very regularly” for the *Financial Times Weekend* fashion section and the *Financial Times How to Spend It* supplement as well as his photographs and articles appearing in numerous other publications such as *Elle* and *The Sunday Times*. At Exhibit MF1, he provides copies of some of his articles that were published in 2009.

17) Mr O’Flaherty discovered the UNCONDITIONAL label when Mr Stephens showed his 2002 fashion line. He states that the label immediately gained recognition following its launch, attracting substantial amounts of editorial coverage. Mr O’Flaherty states that the label is now one of the most influential London-based labels, particularly in menswear and has been since its launch and he refers to a number of celebrity followers of the label, including Madonna.

18) Mr O’Flaherty states that, from his own experience, he is well aware that fashion designers use their brands in respect of a variety of products in addition to apparel and he lists, in particular, fashion accessories, cosmetics, fragrances, jewellery, eyewear and watches. He also states that he is aware that the UNCONDITIONAL label has been used in respect of cashmere throws and travel blankets. He identifies a number of designers who extend their brand to products beyond apparel, namely, Armani Casa, Ralph Lauren Home, and Versace Home Collection. At Exhibit MF1, Mr O’Flaherty provides a copy of an article written by him that appeared in the *Financial Times How to Spend It* supplement on 15 October 2011 where he identified that some of the most exciting interior pieces (of furniture) are from fashion couture houses. He is also aware that UNCONDITIONAL has been used in respect of scented candles.

## **DECISION**

### **Sections 5(1), 5(2)(a) and 5(2)(b)**

19) These sections read:

“5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

(2) A trade mark shall not be registered if because –

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

(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.”

20) For an opponent to be successful under grounds based upon Section 5(1) of the Act, it must be able to rely on goods or services that are identical with those listed in the application. It is self evident that Mr Stephens’ goods are not identical to any of Mr Kendricks and consequently, the opposition based upon Section 5(1) of the Act must fail.

21) I now turn to consider the grounds based upon Section 5(2)(a) and Section 5(2)(b) of the Act.

22) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the Court of Justice of the European Union (CJEU) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] FSR. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] ETMR 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P. It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it; *Sabel BV v Puma AG*,

(g) in determining whether similarity between the goods or services covered by two marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(i) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

(j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*.

(k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*

### **Comparison of goods**

23) The approach regarding the assessment of similarity of goods is set out in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*, where the CJEU stated (at paragraph 23):

„In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.’

24) Other factors may also be taken into account such as, for example, the distribution channels of the goods concerned (see, for example, *British Sugar Plc v James Robertson & Sons Limited (TREAT)* [1996] RPC 281).

25) It is argued, on behalf of Mr Stephens, that *cases and bags for toiletries and beauty cases* covered by the Class 18 specification of his CTM are similar to all of Mr Hendricks’ Class 3 goods because they can all be carried in such bags and cases and these respective goods are often on sale in adjacent to each other. I agree that many of Mr Hendricks goods share some similarity to these goods. Whilst they are different in terms of nature, intended purpose and methods of use, there is an overlap in respect of trade channels where the parties’ respective goods are often sold in close proximity to each other. Further, cosmetics are also often sold as part of a pack, particularly gift packs, with beauty cases or toiletry bags. In addition, these respective goods share a "complementary" relationship in the sense that cosmetics and toiletries are indispensable or important for the use of the cases and bags in such a way that customers may think that the responsibility for those goods lies with the same undertaking (such a test for "complementarity" is outlined by the GC in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-325/06).

26) Taking all of the above into account, I conclude that Mr Stephens’ *cases and bags for toiletries and beauty cases* share a reasonable level of similarity with the following of Mr Hendricks’ goods:

*Soaps; ...; cosmetics, foundations, make-up; preparations for the skin, scalp, hands, nails and hair; ...; shaving preparations; non-medicated toilet preparations; anti-perspirants, deodorants for use on the person; ....*

27) The remaining Class 3 goods are not normally provided as part of gift packs with beauty cases or toiletry bags. There is no evidence before me to demonstrate otherwise. Therefore, any similarity between these goods exists solely as a result of them appearing in adjacent areas of a retail outlet. I conclude that, as a result of this, there is some similarity between beauty cases and toiletry bags and the remaining goods of Mr Hendricks’ application (shown below) but that this is only low:

*..., perfumery, essential oils; ...; dentifrices; preparations for sun protection, sun tanning and sun blocking; after sun creams; ...;*

*depilatories; artificial nails and preparations therefor; artificial eyelashes and preparations therefor.*

28) I dismiss the submissions made on behalf of Mr Stephens that his clothing listed in Class 25 is similar to *perfume, artificial nails and artificial eyelashes* because they are both used to create a fashionable appearance. This may be true, but there is nothing before me to suggest that the consumer would expect these respective goods to come from the same or linked undertaking. Certainly, when applying the criteria set out in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* and *TREAT* it is not obvious to me that these goods share any similarity whatsoever.

***The average consumer***

29) Matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*, paragraph 23), who is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*, paragraph 27). The degree of care and attention the average consumer uses when selecting goods and services can, however, vary depending on what is involved (see, for example, the judgment of the GC in *Inter-Ikea Systems B.V. v. OHIM*, Case T-112/06).

30) Both parties' goods can be described as ordinary consumer goods where selection is mainly made based upon visual considerations. The relevant consumers will be drawn from the general public and there will be some overlap of consumers of the respective goods. Whilst the costs of these goods can vary considerably, they are not generally high cost items. The level of consideration undertaken by the consumer will be reasonable, but not of the highest order.

***Comparison of marks***

31) For ease of reference, the respective marks are:

Mr Stephens' mark	Mr Hendricks' mark
<b>UNCONDITIONAL</b>	UNCONDITIONAL

32) Both marks consist of the same single word and, obviously, the distinctive character of both marks resides in their totality. Aurally and conceptually they are identical. From a visual perspective, there is some doubt regarding the precise nature of Mr Stephens' mark as a result of it being a scanned version rather than a typed version that appears on the Community register. However, it is not evident that it has any embellishment over and above an ordinary typeface. In any event, whether it is protected in a normal typeface or whether it is something more will not impact upon the outcome of my consideration. The respective

marks are identical, or if not, they are at least virtually identical to each other from a visual perspective.

33) Taking all of this into account, the respective marks are either identical or virtually identical.

### ***Distinctive character of the earlier trade mark***

34) I must consider the distinctive character of the earlier mark because the more distinctive it is, either by inherent nature or by use the greater the likelihood of confusion (*Sabel BV v Puma AG* [1998] RPC 199). The distinctive character of the earlier trade mark must be assessed by reference to the goods for which it is registered and by reference to the way it is perceived by the relevant public (*Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91). The word UNCONDITIONAL has no specific meaning in respect of Mr Stephens' goods and consequently it is endowed with a reasonable level of inherent distinctive character.

35) The scale of use Mr Stephens' mark is not clearly set out in his evidence. There is no indication as to the market share, volume of sales, turnover, or promotional spend. Nevertheless, there is enough evidence to illustrate that UNCONDITIONAL clothing has a reasonably high profile presence in the designer fashion market with it being featured in numerous catwalk shows at London Fashion Week, being worn by numerous celebrities and with it being sold in nineteen outlets in the UK including *Selfridges*. Taking all of this into account, I am prepared to infer that, in respect to designer men's and women's clothing, its distinctive character is enhanced to a higher level.

### ***Likelihood of confusion***

36) I must adopt the global approach advocated by case law and take into account that marks are rarely recalled perfectly with the consumer relying instead on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). I must take into account all factors relevant to the circumstances of the case, in particular the interdependence between the similarity of the marks and that of the goods or services designated (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*)

37) The marks are identical or virtually identical, the earlier mark has a reasonable level of distinctive character that is heightened in respect of designer men's and women's clothing, the respective goods are split into sharing either a reasonable level or a low level of similarity, and the average consumer will be the general public and will overlap to a degree. Taking all of this into account, I find that where Mr Hendricks' goods may be sold together with beauty cases and/or toiletry bags, the consumer will assume that the respective goods originate from the same or linked undertaking. I do not need to make a finding regarding whether the marks are identical because if the opposition fails under Section

5(2)(a) because of lack of identity, it is my conclusion that it will succeed under Section 5(2)(b) for the same range of goods, namely:

*Soaps;...; cosmetics, foundations, make-up; preparations for the skin, scalp, hands, nails and hair; ...; shaving preparations; non-medicated toilet preparations; anti-perspirants, deodorants for use on the person; ....*

38) However, the opposition based upon Section 5(2) of the Act fails in respect of goods that only share a low level of similarity with Mr Stephens' goods, namely:

*..., perfumery, essential oils; ...; dentifrices; preparations for sun protection, sun tanning and sun blocking; after sun creams; ...; depilatories; artificial nails and preparations therefor; artificial eyelashes and preparations therefor.*

### **Section 5(4)(a)**

39) I consider the ground under Section 5(4) (a) next, but only in respect of how it may improve Mr Stephens' case over and above the partial success achieved under Section 5(2). That 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) .....

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) The requirements for this ground of opposition have been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] R.P.C. 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.

### The Relevant Date

41) The relevant date for determining the opponent's claim will be the filing date of the application in suit (*Last Minute Network Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Joined Cases T-114/07 and T-115), that is to say 11 August 2009. The earlier right must have been acquired prior to that date (Article 4.4(b) of First Council Directive 89/104 on which the UK Act is based). The position at an earlier date may also be relevant as it could be establish a senior user status, or that there has been common law acquiescence or that the status quo should not be disturbed as the parties have a concurrent goodwill (*Croom's Trade Mark Application* [2005] RPC 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42). However, Mr Hendricks, in his counterstatement, states that use of his mark did not commence until 22 October 2009 when Peter Andre's ladies' fragrance was launched. Consequently the only relevant date for the purposes of Section 5(4)(a) is 11 August 2009.

### Goodwill

42) In order to make an assessment of whether or not Mr Stephens has goodwill in a business conducted under the UNCONDITIONAL mark, I must be possessed of sufficient information to reach an informed conclusion. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 Pumfrey J 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 Section 11 of the 1938 Act (See *Smith Hayden (OVAX)* (1946) 63 RPC 97 as qualified by BALI [1969] RPC 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 at the relevant date. Once raised the applicant

must rebut the prima facie case. Obviously he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of possibilities that passing off will occur.”

43) In *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat), Floyd J commented directly upon *South Cone* in the following terms:

“8 Those observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

44) Whilst Mr Stephens has not provided any information regarding the volume of sales, in the UK, of goods identified by the sign UNCONDITIONAL, the evidence does demonstrate that the sign has been used to identify men's designer clothing since 2002 and women's designer clothing since 2004. Mr Stephens has staged fashion catwalk shows to promote UNCONDITIONAL apparel at London Fashion Week for seven seasons since 2006. The popularity of the brand is being exemplified by its celebrity following and I note from the evidence that the singer Will Young cites that his favourite item in his wardrobe is an UNCONDITIONAL coat.

45) Mr Stephens lists eighteen high end department stores (such as *Selfridges*) and luxury boutiques outlets across England and one in Scotland where UNCONDITIONAL clothing is available and the brand is also sold through his website since 2006.

46) The evidence demonstrates that the use of UNCONDITIONAL has been sufficient to generate media attention in publications such as *Vogue*, *Financial Times* and *The Daily Express* as well as a number of other less well known publications.

47) Taking all of the above into account, despite the lack of information regarding the volume of sales in respect to UNCONDITIONAL clothing, I can infer that, by August 2009, Mr Stephens' business has an established goodwill, at least extending across England, in respect to both men's and women's designer clothing, and as identified by the sign UNCONDITIONAL.

48) Whilst Mr Stephens has stated that he has also begun selling scented candles and throws and travel blankets, no information has been provided

regarding the scale of business in respect to these goods and there is no supporting evidence to assist. Further, Mr Stephens has stated that UNCONDITIONAL scented candles went into production in August 2009. As the relevant date for establishing goodwill is 11 August 2009, it is extremely unlikely that there has been sufficient use in respect of these goods to have acquired the necessary goodwill at the relevant date. Further, there is a total absence of evidence demonstrating the scale of use of the sign UNCONDITIONAL in respect of scented candles. Consequently, I am unable to conclude that Mr Stephens has a goodwill extending to this area of his business.

#### Misrepresentation and damage

49) Having reached this conclusion, I must go on to consider if there has been misrepresentation and whether any such misrepresentation is such as to cause damage to Mr Stephens. In this respect, I am mindful of the comments of Morritt L J in the Court of Appeal decision in *Neutrogena Corporation and Anr. V Golden Limited and Anr.* [1996] RPC 473 when he confirmed that the correct test on the issue of deception or confusion was whether, on the balance of probabilities, a substantial number of the opponent's customers or potential customers would be misled into purchasing the applicant's products in the belief that it was the opponent's. Further, Lord Fraser in *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31 HL, stated that the opponent must show that "he has suffered, or is really likely to suffer, substantial damage to his property in the goodwill".

50) It has been submitted on behalf of Mr Stephens that it is "common knowledge" that fashion clothing, fashion accessories, toiletries, cosmetics and perfume brands that are established in one market sector are liable to expand into others and Mr Stephens, himself, discusses his own expansion claiming that "such products are natural brand extensions for any clothing designer. Fashion houses and fashion designers the world over, sell homewares, perfumes, cosmetics, and toiletries, under the name of their clothing label" (see paragraphs 34 and 35 of his witness statement). The same point is made by Mr O'Flaherty in his witness statement.

51) Thus, it is argued that substantial numbers of Mr Stephens' customers or potential customers will be misled into believing that the goods sold by Mr Hendricks also originate from Mr Stephens.

52) In considering this point, I am mindful of the comments of Millet LJ in *Harrods v Harrodian School* [1996] RPC 697, where he stated:

"It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant's goods or services"  
In the same case he went on to state:

“The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration.”

And

“The name "Harrods" may be universally recognised, but the business with which it is associated in the minds of the public is not all embracing. To be known to everyone is not to be known for everything.”

53) An absence of a common field of activity will mitigate against a risk of misrepresentation. It will also mitigate against there being a risk of damage as per the judgment of Slade LJ in *Stringfellow v McCain Foods (GB) Ltd* [1984] RPC 501:

“even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.”

54) A common field of activity is not the same as similarity of goods or services. I have already found that none of Mr Hendricks goods are similar to Mr Stephens' clothing for the purposes of section 5(2) of the Act but, owing to the practices of the market, it can be said that at least some are in a common field of activity.

55) As a consumer, it is difficult to miss the saturation advertising for scents related to fashion designers, such as *Chanel, Hugo Boss, Gucci, Calvin Klein* etc. I take judicial notice of such a long established relationship between fashion goods and perfumes. Mr Stephens' evidence does, in a limited way, support the proposition that fashion designers engage in brand extension. It is limited to himself and Mr O'Flaherty stating that fashion designers are often involved in brand extension with Mr Stephens citing his sale of throws and travel blankets as an example of this and Mr O'Flaherty referring to his article that appeared in the *Financial Times* supplement citing fashion couture houses expanding their brand into designer furniture. It falls short of supporting Mr Stephens' contention that it is common for fashion designers to extend their brands into other Class 3 goods such as cosmetics.

56) Taking all of this into account, I consider that *perfumery* listed in the application to be in a common field of activity with the goods for which Mr Stephens has goodwill. However, there is nothing before me that would lead me to conclude that the remaining goods of the application, such as cosmetics, are likely to be associated with clothing in any way.

57) The respective marks are identical and, as I have concluded, Mr Hendricks' *perfumery* is in a common field of activity as designer fashion clothing. Taking

this into account together with the scale of Mr Stephens' goodwill, I find that it is likely that a substantial number of Mr Stephens' customers or potential customers would be misled into purchasing Mr Hendricks' goods in the belief that they were Mr Stephens' goods. Consequently, he will suffer, or is really likely to suffer, substantial damage to his property in the goodwill.

58) However, in respect of the remaining goods in Mr Hendricks' specification, I conclude that these are not in the same field of activity. The only evidence to the contrary is an unsupported statement by Mr O'Flaherty that he is aware of fashion designers using their brands in respect of, among other things, cosmetics. Without any supporting evidence, I am unable to accept this as evidence that fashion designers commonly expand their brand to include cosmetics or any other of the remaining goods included in Mr Hendricks' Class 3 goods. Consequently, and whilst a common field of activity is not required, I conclude that Mr Hendricks' goods are too far removed from those of Mr Stephens to result in the consumer being misled regarding origin. In respect to these goods (shown below), I conclude the case for passing off fails:

*..., essential oils; ...; dentifrices; preparations for sun protection, sun tanning and sun blocking; after sun creams; ...; depilatories; artificial nails and preparations therefor; artificial eyelashes and preparations therefor.*

59) In summary, Mr Stephens' opposition, based upon Section 5(4)(a) is successful, but only in respect of *perfumery* and fails against the remaining goods listed in Mr Hendricks' specification of goods.

### **Section 5(3)**

60) I turn to consider the ground for opposition under Section 5(3) of the Act but only in respect of the goods that survive the Section 5(2) and Section 5(4)(a) grounds (see paragraph ?? above). Section 5(3) reads as follows:

“5.-(3) A trade mark which –

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

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 or international trade mark (EC), 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.”

61) The scope of Section 5(3) has been considered in a number of cases notably *General Motors Corp v Yplon SA (CHEVY)* [1999] ETMR 122 and [2000] RPC 572, *Adidas Salomon AG v Fitnessworld Trading Ltd.* [2004] ETMR 10, *Premier*

*Brands UK Limited v Typhoon Europe Limited* (TYPHOON) [2000] FSR 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), *Electrocoin Automatics Limited and Coinworld Limited and others* [2005] FSR 7, *Davidoff & Cie SA v Gofkid Ltd* (DAVIDOFF) [2003] ETMR 42, *Intel Corporation Inc. v CPM United Kingdom Ltd* (INTEL) [2009] RPC 15, *L'Oreal v Bellure* [2010] RPC 1 and *Whirlpool Corp v Kenwood Limited* [2010] RPC 2.

62) The applicable legal principles arising from these cases are as follows:

- a) „Reputation’ for the purposes of Section 5(3) means that the earlier mark is known by a significant part of the public concerned with the products or services covered by that mark (paragraph 26 of the CJEU's judgment in *CHEVY*).
- b) Under this provision the similarity between the marks does not have to be such as to give rise to a likelihood of confusion between them; the provision may be invoked where there is sufficient similarity to cause the relevant public to establish a link between the earlier mark and the later mark or sign (*Adidas Salomon v Fitnessworld*, paragraphs 29-30).
- c) Whether there is a link, within the meaning of *Adidas-Salomon and Adidas Benelux*, between the earlier mark with a reputation and the later mark must be assessed globally, taking into account all factors relevant to the circumstances of the case (*INTEL*).
- d) The fact that, for the average consumer, who is reasonably well informed and reasonably observant and circumspect, the later mark calls the earlier mark with a reputation to mind is tantamount to the existence of such a link between the conflicting marks, within the meaning of *Adidas-Salomon and Adidas Benelux*. (*INTEL*)
- e) The stronger the earlier mark's distinctive character and reputation the easier it will be to accept that detriment has been caused to it (per Neuberger J. in *Premier Brands*, and the CJEU in *CHEVY*, paragraph 30).
- f) Whether use of the later mark takes or would take unfair advantage of, or is or would be detrimental to, the distinctive character or the repute of the earlier mark, must be assessed globally, taking into account all factors relevant to the circumstances of the case (*INTEL*).
- g) Unfair advantage is taken of the distinctive character or the repute of the earlier trade mark where there is clear exploitation and free-riding on

the coat-tails of a famous mark or an attempt to trade upon its reputation (*Spa Monopole v OHIM*).

h) The use of the later mark may be detrimental to the distinctive character of the earlier mark with a reputation even if that mark is not unique; a first use of the later mark may suffice to be detrimental to the distinctive character of the earlier mark; proof that the use of the later mark is or would be detrimental to the distinctive character of the earlier mark requires evidence of a change in the economic behaviour of the average consumer of the goods or services for which the earlier mark was registered consequent on the use of the later mark, or a serious likelihood that such a change will occur in the future (*INTEL*).

i) Taking unfair advantage of the distinctive character or repute of a mark relates not to detriment caused to the earlier mark but to the advantage taken by the third party. Such an advantage may be unfair even where the use is not detrimental to the distinctive character or to the repute of the mark (*L'Oreal v Bellure*). It is not sufficient to show that an advantage has been obtained. There must be an added factor of some kind for that advantage to be categorised as unfair (*Whirlpool Corp v Kenwood Limited*).

### **Reputation**

63) „Reputation’ for the purposes of Section 5(3) means that the earlier mark is known by a significant part of the public concerned with the products or services covered by that mark (paragraph 26 of the CJEU's judgment in *General Motors Corp v Yplon SA (CHEVY)* [1999] ETMR 122 and [2000] RPC 572).

64) As I have already commented, Mr Stephens’ evidence is not without criticism, however, it clearly demonstrates a significant presence in the designer clothing sector as at August 2009. The presence of UNCONDITIONAL catwalk shows at the London Fashion Week together with the media coverage already identified and the presence of nineteen retail outlets in the UK is sufficient for me to infer that the requisite reputation exists in the mark UNCONDITIONAL in respect of designer men’s and women’s clothing. However, there is no evidence for me to conclude that this reputation extended to the mark being used in respect of any other goods as covered by Mr Stephens’ earlier CTM, at the relevant date of 11 August 2009.

### **The Link**

65) Having established the existence and scope of a reputation, I need to go on to consider the existence of the necessary link. I am mindful of the comments of the CJEU in *INTEL* that it is sufficient for the later mark to bring the earlier mark with a reputation to mind for the link, within the meaning of *Adidas-Salomon and*

*Adidas Benelux*, to be established. The CJEU also set out the factors to take into account when considering if the necessary link exists:

“41. The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case (see, in respect of Article 5(2) of the Directive, *Adidas-Salomon and Adidas Benelux*, paragraph 30, and *adidas and adidas Benelux*, paragraph 42).

42. Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;
- the strength of the earlier mark’s reputation;
- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public.”

66) I have found that there is no likelihood of confusion and that there is no similarity between the respective goods. Whilst it is not a requirement under Section 5(3) that the respective goods are similar, it is nevertheless, an important factor that I must take into account, and I have actually found that, not only are they not similar, neither are they in the same field of activity. However, taking account of the reasonably high level of distinctive character of the mark UNCONDITIONAL and the fact that the respective marks are identical or virtually identical I conclude that, when the consumer of Mr Stephens’ goods sees Mr Hendricks’ mark used in respect of the remaining Class 3 goods of his application, he/she is likely to have Mr Stephens’ mark brought to mind.

### ***Heads of damage***

67) The heads of damage under Section 5(3) of the Act are; 1) detriment to distinctive character, 2) detriment to repute, 3) unfair advantage of the distinctive character or repute. It is argued on behalf of Mr Stephens that if Mr Hendricks’ goods are perceived as having any association with Mr Stephens’ goods, its distinctiveness will be diluted or whittled away and that, where Mr Hendricks’ goods may be of inferior quality, it will result in damage to Mr Stephens’ reputation. I am not persuaded by these arguments. Whilst the marks are identical or virtually identical, there is very little evidence before me (other than

an unsupported statement) that it is common for fashion designers to extend their brands to the remaining goods. Consequently, I conclude that use by Mr Hendricks, of his mark, on such goods is not likely to result in any dilution of Mr Stephens' mark, nor will inferior quality products bearing Mr Hendricks' mark result in damage to the reputation in Mr Stephens' mark, because for this to occur, the consumer must assume a business association between the two. This will not be the case taking account of the distance between Mr Hendricks' goods and those goods in which Mr Stephens' mark has a reputation. Further, it is rather speculative to cite the poor quality of Mr Hendricks' goods. There is nothing before me to suggest that this is the case.

68) In summary, I conclude that Mr Stephens is no more successful under Section 5(3) than he has been under Section 5(4)(a).

### **Section 3(6)**

69) Section 3(6) of the Act reads as follows:

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

70) 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 (*Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07 paragraph 35), namely 11 August 2009.

71) The guidance regarding the general principles of bad faith have been conveniently summarised by Arnold J in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch) Arnold J:

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see *Case C-529/07 Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. *Case C-259/02 La*

*Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134. Fourthly, bad faith includes not only dishonesty, but also "some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined": see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

"41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48)."

72) 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 their 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. Thus, in considering the actions of Mr Hendricks, the test is a combination of the subjective and objective. Furthermore, it is clear that bad faith, in addition to dishonesty, may include business dealings which fall short of the standards of acceptable commercial behaviour i.e. unacceptable or reckless behaviour in a particular business context and on a particular set of facts.

73) Mr Stephens contends that Mr Hendricks is employed by a company which has been involved with requesting that Mr Stephens provide UNCONDITIONAL clothing for a publicity shoot. The implication is that Mr Hendricks, therefore, knew of Mr Stephens' activities and intentionally chose the mark UNCONDITIONAL. Mr Stephens contends that, consequently, the filing of the

application without his authorisation or consent is an act of bad faith. On the other hand, Mr Hendricks explains that the application was made as a part of his role in the management of the celebrity and recording artist, Peter Andre.

74) It is incumbent upon Mr Stephens to produce cogent evidence of such a serious allegation. He has not done so. Further, Mr Hendricks has provided a reason for choosing the mark that, *prima facie*, has some force, namely that it was inspired by the Peter Andre song entitled “Unconditional” and that Mr Hendricks has had a business relationship with Mr Andre. Consequently, I find that a case of bad faith is not made out.

75) The grounds based upon Section 3(6) are, therefore, dismissed.

## **SUMMARY**

76) The opposition based upon Section 5(2) of the Act is successful in respect of the following list of goods;

*Soaps;...; cosmetics, foundations, make-up; preparations for the skin, scalp, hands, nails and hair; ...; shaving preparations; non-medicated toilet preparations; anti-perspirants, deodorants for use on the person; ....*

77) In addition, the opposition is also successful under Section 5(4)(a) of the Act, in respect of *perfumery*.

78) The opposition based upon 5(3) does not advance Mr Stephens case beyond that under Section 5(2) and Section 5(4)(a).

79) The opposition fails insofar as it is based upon Sections 5(1) and Section 3(6) of the Act.

80) The opposition fails in respect of the following goods:

*..., essential oils; ...; dentifrices; preparations for sun protection, sun tanning and sun blocking; after sun creams; ...; depilatories; artificial nails and preparations therefor; artificial eyelashes and preparations therefor.*

## **COSTS**

81) The opposition has been partially successful, but it has also failed in respect of a significant proportion of the attack against the Class 3 goods. However, taking into account that Mr Hendricks also removed Class 25 from his application after the opposition was filed, I consider it appropriate to make an award of costs in favour of Mr Stephens. I also take account of the fact that no hearing has taken place but that he did file written submissions in lieu of attendance. I award costs on the following basis:

Notice of Opposition and statement (including official fee) & considering statement of case in reply	£400
Preparing and filing evidence	£500
Filing written submissions	£300
 TOTAL	 £1200

82) I order Neville Hendricks to pay Philip Alan Stephens 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 20th day of December 2012**

**Mark Bryant  
For the Registrar,  
the Comptroller-General**