

IN THE MATTER OF THE TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION, NO 3087132 IN THE NAME OF
PUBLIC NUISANCE CLOTHING LIMITED

AND IN THE MATTER OF AN APPEAL FROM THE DECISION OF MARK KING
DATED 9th MARCH (O/128/16)

DECISION

1. This is an appeal from the decision of Mr Mark King, for the Registrar, dated 9th March 2016, where he refused the application of Public Nuisance Clothing Limited (No 3087132) based on the opposition of Hel Maney Ltd in relation to its trade mark (No 3082208) under s 5(2)(b) of the Trade Marks Act 1994. Public Nuisance Clothing appeals.
2. The signs in issue are as follows:

Public Nuisance Clothing



Hel Maney Ltd

a public nuisance

3. The Hearing Officer found that the goods covered by both marks are “clothing, footwear, headgear” in Class 25 and so the goods were identical (Decision, paragraph 19). This finding was not challenged on appeal.

Standard of appeal

4. It is well established that the appeal to the Appointed Person is by way of review. The Hearing Officer needs to make a distinct error of principle or be clearly wrong: *Reef TM* [2002] EWCA Civ 763, [2003] RPC 5. More recently in *Okotoks Ld & Anor v Fine & Country Ltd & Ors* [2013] EWCA Civ 672, [2014] FSR 11, Lewison LJ said:

50. The Court of Appeal is not here to retry the case. Our function is to review the judgment and order of the trial judge to see if it is wrong. If the judge has applied the wrong legal test, then it is our duty to say so. But in many cases the appellant's complaint is not that the judge has misdirected himself in law, but that he has incorrectly applied the right test. In the case of many of the grounds of appeal this is the position here. Many of the points which the judge was called upon to decide were essentially value judgments, or what in the current jargon are called multi-factorial assessments. An appeal court must be especially cautious about interfering with a trial judge's decisions of this kind. There are many examples of statements to this effect. I take as representative Lord Hoffmann's statement in *Designers Guild Ltd v Russell Williams (Textiles) Ltd* [2000] 1 WLR 2416, 2423:

“Secondly, because the decision involves the application of a not altogether precise legal standard to a combination of features of varying importance, I think that this falls within the class of case in which an appellate court should not reverse a judge's decision unless he has erred in principle.”

5. In *Fage UK Ltd & Anor v Chobani UK Ltd & Anor* [2014] EWCA Civ 5 Lewison LJ explained further:

114. Appellate courts have been repeatedly warned, by recent cases at the highest level, not to interfere with findings of fact by trial judges, unless compelled to do so. This applies not only to findings of primary fact, but also to the evaluation of those facts and to inferences to be drawn from them. The best known of these cases are: *Biogen Inc v Medeva plc* [1997] RPC1; *Piglowska v Piglowski* [1999] 1 WLR 1360; *Datec Electronics Holdings Ltd v United Parcels Service Ltd* [2007] UKHL 23 [2007] 1 WLR 1325; *Re B (A Child) (Care Proceedings: Threshold Criteria)* [2013] UKSC 33 [2013] 1 WLR 1911 and most recently and comprehensively *McGraddie v McGraddie* [2013] UKSC 58 [2013] 1 WLR 2477. These are all decisions either of the House of Lords or of the Supreme Court. The reasons for this approach are many. They include:

- i) The expertise of a trial judge is in determining what facts are relevant to the legal issues to be decided, and what those facts are if they are disputed.
- ii) The trial is not a dress rehearsal. It is the first and last night of the show.
- iii) Duplication of the trial judge's role on appeal is a disproportionate use of the limited resources of an appellate court, and will seldom lead to a different outcome in an individual case.
- iv) In making his decisions the trial judge will have regard to the whole of the sea of evidence presented to him, whereas an appellate court will only be island hopping.
- v) The atmosphere of the courtroom cannot, in any event, be recreated by reference to documents (including transcripts of evidence).
- vi) Thus even if it were possible to duplicate the role of the trial judge, it cannot in practice be done.

115. It is also important to have in mind the role of a judgment given after trial. The primary function of a first instance judge is to find facts and identify the crucial legal points and to advance reasons for deciding them in a particular way. He should give his reasons in sufficient detail to show the parties and, if need be, the Court of Appeal the principles on which he has acted and the reasons that have led him to his decision. They need not be elaborate. There is no duty on a judge, in giving his reasons, to deal with every argument presented by counsel in support of his case. His function is to reach conclusions and give reasons to support his view, not to spell out every matter as if summing up to a jury. Nor need he deal at any length with matters that are not disputed. It is sufficient if what he says shows the basis on which he has acted. These are not controversial observations: see *Customs and Excise Commissioners v A* [2002] EWCA Civ 1039 [2003] Fam 55; *Bekoe v Broomes* [2005] UKPC 39; *Argos Ltd v Office of Fair Trading* [2006] EWCA Civ 1318; [2006] UKCLR 1135.

6. I will apply these principles in respect of this appeal.

Grounds of appeal

7. The Appellant appealed on the grounds that the Hearing Officer refused to consider certain screenshot evidence duly filed in respect of the opposition (see Decision, paragraph 11). This evidence, it was submitted, shows that Hel Maney was not the first to sell the relevant goods under the mark “Public Nuisance”. Accordingly, the Appellant suggests that Hel Maney’s earlier trade mark, “a public nuisance”, should not have been registered or, alternatively, the Appellant’s mark was equally as registrable as that of Hel Maney.
8. The Appellant provided further evidence annexed to its Notice of Appeal. This evidence goes further towards trying to prove that “Public Nuisance” had been used by third parties long before the registration of the earlier trade mark by Hel Maney. In particular, the evidence includes a signed and witnessed letter from Amin Karim suggesting that Access All Areas Network Ltd has been printing the words “Public Nuisance” on garments since 2001. I should note that this letter is described as an affidavit but it is not a sworn statement, rather it is signed statement witnessed by a respectable solicitor.
9. Much of the Appellant’s submissions turned on Hel Maney not being the first on the market and what this means. Accordingly, I will address this before turning to the evidence issues.

Hel Maney not first on the market

10. Mr Power, for the Appellant, submitted that Hel Maney was not the first trader on the market affixing “Public Nuisance” to garments. Thus, he suggested, Hel Maney’s trade mark should not have been granted and so cannot be used as a basis to challenge his application.
11. In *C-196/11P Formula One Licensing BV v OHIM* [2012] ECLI:EU:C:2012:314 the Court of Justice stated:
 40. It follows from the coexistence of Community trade marks and national trade marks, and from the fact that the registration of the latter does not fall within the sphere of competence of OHIM, and that judicial review in respect of them does not fall within the jurisdiction of the General Court, that in proceedings opposing the registration of a Community trade mark, the validity of national trade marks may not be called into question.
 41. Therefore, in such opposition proceedings, it is not possible to find, with regard to a sign identical to a trade mark protected in a Member State, an absolute ground for refusal, such as the lack of distinctive character, provided by Article 7(1)(b) of Regulation No 40/94 and Article 3(1)(b) of Directives 89/104 and 2008/95. In this respect, it should be noted that the characterisation of a sign as descriptive or generic is equivalent to denying its distinctive character.
 42. It is true that, as is clear from paragraph 48 of the judgment under appeal, where an opposition, based on the existence of an earlier national trade mark, is filed against the registration of a Community trade mark, OHIM and, consequently, the General Court, must verify the way in

which the relevant public perceives the sign which is identical to the national trade mark in the mark applied for and evaluate, if necessary, the degree of distinctiveness of that sign.

43. However, as the appellant rightly points out, their verification has limits.

44. Their verification may not culminate in a finding of the lack of distinctive character of a sign identical to a registered and protected national trade mark, since such a finding would not be compatible with the coexistence of Community trade marks and national trade marks or with Article 8(1)(b) of Regulation No 40/94, read in conjunction with Article 8(2)(a)(ii).

45. Such a finding would be detrimental to national trade marks identical to a sign considered as being devoid of distinctive character, as the registration of such a Community trade mark would bring about a situation likely to eliminate the national protection of those marks. Hence, such a finding would not respect the system established by Regulation No 40/94, which is based on the coexistence of Community trade marks and national trade marks as stated by the fifth recital in the preamble to that regulation, given that the validity of an international or national trade mark may be called into question for lack of distinctive character only in cancellation proceedings brought in the Member State concerned by virtue of Article 3(1)(b) of Directives 89/104 and 2008/95.

46. It should be noted that Article 8(2)(a)(ii) of Regulation No 40/94 expressly provides, in opposition proceedings, for trade marks registered in a Member State to be taken into consideration as earlier trade marks.

47. It follows that, in order to avoid infringing Article 8(1)(b) of Regulation No 40/94, it is necessary to acknowledge a certain degree of distinctiveness of an earlier national mark on which an opposition against the registration of a Community trade mark is based.

12. Accordingly, a national earlier trade mark must be treated as having the minimum degree of distinctiveness (and not being generic) in any opposition proceedings relating to a European Trade Mark before the European Union Intellectual Property Office (EUIPO; formerly OHIM) and in any subsequent appeal. Furthermore, where an Applicant wants to challenge the validity of the earlier trade mark it is necessary to bring separate invalidity (cancellation) proceedings before the relevant national office.
13. The reasoning of the Court of Justice in *Formula One* was based on the EUIPO and, therefore, the General Court having no jurisdiction to invalidate the national mark during opposition proceedings. The Trade Marks Act 1994 s 47(3) gives the registrar the jurisdiction to invalidate an earlier trade mark registered under the Act (such as that used for the basis of the opposition in this case). Possibly, therefore, there are grounds to distinguish *Formula One* where the two marks are both national marks, but the Appellant did not submit any reasons to so distinguish or even submit that I should not apply *Formula One*. So I will proceed on the basis that *Formula One* applies equally to these proceedings.
14. Therefore, it would appear that the appropriate course of action in this case would have been for the Appellant to apply to invalidate the opponent's mark under s 47(3) at the start of the opposition (ie upon receiving a copy of the TM7). It would then have fallen to the Hearing Officer dealing with the cases to decide whether to stay the opposition or consolidate the proceedings or take some other course of action. What is clearly not appropriate is for some form of invalidity proceedings (or something having equivalent

effect) being started on appeal. In any event, I must treat Hal Maney's earlier trade mark as having none of the absolute grounds obtaining to it.

15. Mr Power further submitted that Hel Maney's earlier trade mark should not have been registered due to earlier users of the mark (ie on relative grounds), in particular he made reference to use of the mark by Access All Areas. This argument fails largely for the same reasons outlined above in relation to absolute grounds. However, there is a further flaw in this argument. Article 2 of the Trade Marks (Relative Grounds) Order 2007 (SI 2007/1976) prohibits the registrar from refusing a mark under section 5 of the Act (relative grounds) unless an objection is raised in opposition proceedings by the proprietor of the earlier mark or right. Accordingly, it would have been unlawful for the registrar to have refused Hal Maney's mark because of any pre-existing rights existing on its filing date (19 November 2014) unless an objection was raised by the proprietor of any such rights.
16. For these reasons, it is clear that Hel Maney's earlier trade mark must be treated as valid for the purposes of these proceedings. Accordingly, evidence of earlier use by third parties of "Public Nuisance" on garments cannot be used to try and invalidate that mark (or to have an equivalent effect). The evidence of earlier use by third parties could, if admissible, be used to demonstrate that the earlier mark had a low level of distinctiveness. However, such evidence does not assist the Appellant as the Hearing Officer has already found that the earlier mark has a low level of distinctiveness (Decision, paragraph 30).

The evidence ruling and filing additional evidence

17. For the reasons outlined above, it is clear that the evidence (even if admitted) would not have assisted the Appellant's case. Nevertheless, it is my judgment that the Hearing Officer was right to exclude the screen shot evidence. Where the exact date of the evidence is germane to an issue (as it so often is in intellectual property matters), it is not acceptable to submit evidence created after that date (such as a screenshot) unless it can also be shown that the evidence also existed at the relevant date. In other words, the website has remained unchanged (in the relevant respect) between the relevant date and the date the screenshot was taken. I do not need to decide whether the use of evidence from Way Back machines (as included among the extra evidence filed by the Appellant on appeal) should be acceptable for this purpose and so I will not venture any opinion on this matter.
18. In relation to the additional evidence submitted on appeal it is necessary to apply the *Ladd v Marshall* [1954] 1 WLR 1489 criteria. While I accept that at least some of the evidence is credible (in particular the Amin Karim letter), it is clear that all the evidence filed on appeal was available to the Appellant during the evidence rounds before the registrar. It should therefore have been submitted at that point. Furthermore, for the reasons outlined above, the evidence would have had little or no influence on these proceedings even if it were admitted. This means that two of the three criterion from *Ladd v Marshall* are clearly not satisfied and so I hold that the additional evidence filed on appeal by the Appellant should not be admitted.

Comparison of marks

19. The Appellant's grounds of appeal were based on the admission of evidence and there was not a clear indication that any other aspect of the Hearing Officer's decision was being challenged. Nevertheless, during the hearing, it was submitted on behalf of the Appellant that the two marks are "not similar at all" and further there was no "triple identity".
20. I will deal with the second point first, namely the lack of "triple identity". This submission was not fully explained by the Appellant, but it appears quite contrary to the basic approach in trade mark law. The average consumer undertakes a global comparison of the two marks where the visual, aural and conceptual similarities are assessed in relation to the overall impression they create. There is no requirement for identity (under s 5(2)(b)) in respect of any element let alone all three.
21. Other than the need for "triple identity" there was no challenge during the hearing to the legal principles identified or applied by the Hearing Officer. The Appellant's submission that the two marks are "not similar at all" appears to be suggesting that the Hearing Officer was "plainly wrong" – it was a decision that no reasonably directed tribunal could reasonably have reached on the facts (ie an irrationality argument). There was no mention of such an argument in the Appellant's Grounds of Appeal or Skeleton Argument and it was not developed beyond blunt assertions during the hearing.
22. In *Royal Academy of Arts v Errea Sports SPA* (O-10-16), Mr Iain Purvis QC sitting as the Appointed Person held:
 15. I should add that Mr Stobbs argued a different point at the hearing, namely that even if there was no error of principle, the Hearing Officer was still 'plainly wrong' (using the Reef test for an arguable basis of appeal from a multi-factorial decision of this kind) because she had reached a conclusion which no reasonable tribunal could have reached on the facts. So far as this is concerned, it seems to me that it is not in principle open to an Appellant to run such an argument on appeal when it has not been foreshadowed in the Grounds of Appeal. It involves a wholesale re-arguing of the case, rather than simply the analysis of a single alleged error of law, and it would be unfair to the Respondent to permit it to be run without notice. I should also say that Mr Stobbs did not make an application to amend his Grounds of Appeal, so I do not have to consider whether to allow the point to be argued.
23. Accordingly, I do not have to consider the irrationality argument. Nevertheless, it is clear to me the decision of the Hearing Officer was not irrational and, in fact, it appears to have been plainly right.
24. I therefore dismiss the appeal and uphold the Decision of the Hearing Officer. Both parties were litigants in person and so any award of costs is reduced by 50%. I will therefore award Hel Maney £250 towards the costs of this Appeal.

PHILLIP JOHNSON
THE APPOINTED PERSON
26th July 2016

For Appellant (Public Nuisance Clothing): David Power (Managing Director of Appellant)

For Respondent (Hel Maney Ltf): Rupert Leigh (Managing Director of Respondent)