

**O-021-17**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NOS 3096966 AND 3096964 BY NEWSO  
INSIDER LIMITED TO REGISTER THE TRADE MARKS**

**BUSINESS INSIDER**

**AND**

**INSIDER**

**IN CLASSES 9, 16, 35 AND 41**

**AND IN THE MATTER OF CONSOLIDATED OPPOSITIONS THERETO UNDER  
NOS 404402 AND 404403  
BY BUSINESS INSIDER, INC.**

## **Background and pleadings**

1) Newsco Insider Limited (“the applicant”) applied to register the trade marks nos. 3096966 and 3096964 for BUSINESS INSIDER and INSIDER respectively in the UK on 2 March 2015. They were accepted and published in the Trade Marks Journal on 27 March 2015 in respect of the following identical lists of goods and services:

**Class 9:** *Software; computer software; application software; electronic publications; downloadable publications; downloadable audio-visual recordings; downloadable audio files; downloadable image files.*

**Class 16:** *Paper; cardboard; printed matter; printed publications; newspapers; magazines; newsletters; supplements; periodicals; brochures; books; posters; photographs; pictures; calendars; diaries; stationery.*

**Class 35:** *Advertising services; publicity services; marketing services; promotional services; provision of advertising space in publications; compilation of directories; subscription services; commercial information; business information; arranging and conducting trade shows, exhibitions and events; information, advisory and consultancy services relating to the aforesaid services; all the aforesaid services also provided online from a computer database or via the internet.*

**Class 41:** *Publishing services; magazine publication; publication of printed matter; electronic publication; news reporting services; education and entertainment information services; arranging and conducting conferences, exhibitions, seminars and events; all the aforesaid services also provided online from a computer database or via the internet.*

2) Business Insider, Inc. (“the opponent”) opposes the trade mark BUSINESS INSIDER on the basis of Sections 3(1)(b) and (c) of the Trade Marks Act 1994 (“the Act”). Its grounds are on the basis that the sign is not inherently distinctive, being commonly used to designate someone with “inside” information relating to business. It further claims that the sign designates a news publication available in print and

electronically which may be considered a source of “insider” information or news available to “inside” sources relating to business. It states that, as a result, the sign is likely to be used by others to designate business news publications that offer advertising or provide advertising space.

3) The opponent opposes the trade mark INSIDER on the same, or very similar grounds and, in addition, it also relies on grounds based upon section 3(1)(a) and section 3(1)(d). In respect of the former, it claims that the mark INSIDER is not capable of distinguishing the goods of one undertaking from those of another, as it consists of a simple word. In respect of the latter ground, it claims that the word INSIDER is customary in the language to designate a news publication or service, as it is descriptive for the same reasons as noted above in respect of the grounds based upon section 3(1)(c).

4) The opponent also claims that both applications are made in bad faith and should be refused under section 3(6) of the Act. It claims that it owns and operates an international online news publication under the mark BUSINESS INSIDER and the parties have been in correspondence since late 2014 regarding the opponent’s use of its marks in the UK. However, despite informing the opponent that it intended to bring proceedings against it, instead the applicant made its own applications to register the marks at issue. The opponent claims that the aim of filing these applications is to prevent it from using its company name and unregistered mark and that the applications were rendered in bad faith.

5) The applicant filed a counterstatement denying the claims made and counterclaiming that:

**Section 3(1)(a):** the mark INSIDER is capable of graphic representation and can distinguish goods and services from those of other undertakings. It is represented graphically and, therefore, meets the requirements set down in section 1(1) of the Act. It points out that many simple English words are successfully registered and it claims that the opponent’s ground is “wholly unsustainable”;

**Section 3(1)(b):** It claims that its marks BUSINESS INSIDER and INSIDER are distinctive in respect of the various goods and services covered by the applications' specifications;

**Section 3(1)(c):** It denies that its marks are descriptive for the goods and services applied for and puts the opponent to proof of use of the mark INSIDER by other economic operators than the parties themselves or the Scottish Business Insider (a company with which, the applicant states, it has a pre-existing arrangement);

**Section 3(1)(d):** It denies that the mark INSIDER has become a term that is customary in the current language as a term used to denote the goods and services applied for. It puts the opponent to proof of use that the general public has been exposed to the mark in a non-trade mark context in relation to the goods and services applied for.

**Section 3(6):** the applicant admits that it informed the opponent that it has an actionable claim against it for the tort of passing off, but claims that the true nature of the dispute is that the applicant is seeking to protect its pre-existing rights in the INSIDER brand from the opponent, being a new entrant to the market. It has not acted in bad faith, but rather it has taken "a perfectly sensible commercial step open to the Applicant".

6) In summary, the applicant denies that its mark(s) should not be registered pursuant to sections 3(1)(a), 3(1)(b), 3(1)(c) or 3(1)(d). However, if I was to find against the applicant, it claims that its marks have acquired distinctive character based upon the use it has made of them.

7) The two sets of proceedings were subsequently consolidated and both sides filed evidence. This will be summarised to the extent that it is considered necessary. A hearing took place on 17 November 2016, with the opponent represented by Emma Himsworth Q.C., instructed by Pillsbury Winthrop Shaw Pittman LLP and the applicant by Mr James Mellor Q.C., instructed by Haseltine Lake.

## Opponent's Evidence

8) This takes the form of a witness statement by Michael Kingfield, Senior Vice President of Legal Affairs for the opponent.

9) Mr Kingfield provides the following:

- At Exhibit MK2, an extract from The New Shorter Oxford English Dictionary, that shows a definition of the word “insider”. One of these meaning is “[a] person who is within some society, organisation, etc; a person who is party to a secret, esp. so as to gain an unfair advantage”
- At Exhibit MK3 are examples of other publications which use the INSIDER mark, which were all in existence at the date of the applications. These examples include:
  - TECH INSIDER appearing in a banner at the top of the page;
  - REUTERS INSIDER also appearing in a banner at the top of the page;
  - APPLE INSIDER appearing above the information on the page with the words APPLE and INSIDER conjoined but in different shades;
  - THE INSURANCE INSIDER appearing in the following stylised form:



- ESPN's mark INSIDER appearing in the following ways: “INSIDER IS YOUR ALL-ACCESS PASS TO ESPN'S PREMIUM DIGITAL AND PRINT CONTENT” and “INSIDER PRESENTS RECRUITING NATION”.

10) He also provides information regarding the applicant's activities that I do not need to detail here, and about the negotiations between the parties. Documents relating to negotiations between two parties are normally considered to be “without prejudice”. However, both sides appear to be in agreement that the background set out in paragraph 3, above, is correct.

## **Applicant's Evidence**

11) This takes the form a witness statement by Marlen Roberts, director of the applicant. Ms Roberts provides a history of the applicant (dating back to 1992) and evidence regarding the scope and scale of its activities involving five regional publications, namely MIDLAND BUSINESS INSIDER, WALES BUSINESS INSIDER, YORKSHIRE BUSINESS INSIDER, NORTH WEST BUSINESS INSIDER and SOUTH WEST BUSINESS INSIDER. The assertion is that even if there is a *prima facie* objection, then it is overcome because the applicant's marks have acquired distinctive character. It is not necessary for me to detail this further.

## **Opponent's evidence-in-reply**

12) This consists of a further witness statement by Mr Kingfield. Mr Kingfield provides a critique of the applicant's evidence that I do not need to detail here.

## **Legislation**

13) The relevant parts of section 3(1) of the Act read:

“3(1) The following shall not be registered –

(a) signs which do not satisfy the requirements of section 1(1),

(b) trade marks which are devoid of any distinctive character,

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade:

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

14) Section 3(6) of the Act states:

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

## **DECISION**

### **Section 3(1)**

15) At the hearing, Ms Himsworth indicated that the opponent is no longer pursuing the grounds based upon section 3(1)(a).

16) In *SAT.1 SatellitenFernsehen GmbH v OHIM*, Case C-329/02 P, the Court of Justice of the European Union stated that:

“25. Thirdly, it is important to observe that each of the grounds for refusal to register listed in Article 7(1) of the regulation is independent of the others and requires separate examination. Moreover, it is appropriate to interpret those grounds for refusal in the light of the general interest which underlies each of them. The general interest to be taken into consideration when examining each of those grounds for refusal may or even must reflect different considerations according to the ground for refusal in question (Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-0000, paragraphs 45 and 46).”

17) Whilst I recognise that section 3(1)(b) and section 3(1)(c) are independent of each other and require separate examination, at the hearing, Ms Himsworth’s arguments simultaneously suggested that there was an independent reason for a

finding of a lack of distinctive character of both marks whilst, at the same time, seeking to rely upon a submission that a lack of distinctive character was as a result of the claimed descriptive nature of the applicant's marks. Following further enquiry, Ms Himsforth conceded that if the opponent is unsuccessful in respect of its grounds based upon sections 3(1)(c) (and/or 3(1)(d)) then its grounds based upon section 3(1)(b) will also fail. As a result of this sensible concession, it is not necessary for me to consider the ground based upon section 3(1)(b) (see the comments of Anna Carboni, sitting as the Appointed Person in O-363-09 *COMBI STEAM Trade Mark*).

### **Section 3(1)(c)**

18) The case law under section 3(1)(c) (corresponding to article 7(1)(c) of the EUTM Regulation, formerly article 7(1)(c) of the CTM Regulation) was summarised by Arnold J. in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch):

“91. The principles to be applied under art.7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z o.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 P) [2011] E.T.M.R. 34 as follows:

“33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks ( OJ 1989 L 40 , p. 1), see, by analogy, [2004] ECR I-1699 , paragraph 19; as regards Article 7 of Regulation No 40/94 , see *Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr Co* (C-191/01 P) [2004] 1 W.L.R. 1728 [2003] E.C.R. I-12447; [2004] E.T.M.R.



9; [2004] R.P.C. 18 , paragraph 30, and the order in *Streamserve v OHIM* (C-150/02 P) [2004] E.C.R. I-1461 , paragraph 24).

36. ... due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94 . Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia, *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-456/01 P) [2004] E.C.R. I-5089; [2005] E.T.M.R. 44, paragraph 45, and *Lego Juris v OHIM* (C-48/09 P), paragraph 43).

37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley* , paragraph 31 and the case-law cited).

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94 , it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie* , paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-

2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (*Koninklijke KPN Nederland*, paragraph 57).

And

46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of Directive 89/104, *Koninklijke KPN Nederland*, paragraph 86, and *Campina Melkunie*, paragraph 19).

47. There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that regulation (see, by analogy, *Koninklijke KPN Nederland*, paragraph 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.

49. The situations specifically covered by Article 7(1)(c) of Regulation No.40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in Article

7(1)(c) of Regulation No 40/94 , the terms ‘the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service’, the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

50. The fact that the legislature chose to use the word ‘characteristic’ highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, *Windsurfing Chiemsee*, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56).”

92. In addition, a sign is caught by the exclusion from registration in art.7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned: see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99 [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [97].”

19) It is well established that descriptiveness must be assessed through the perception of the relevant public, including those in the trade (*Matratzen Concord AG v Hukla Germany SA*, Case C-421/04, para 24) and I note that the specification of goods and services of the contested mark contains *printed matter* that includes goods such as business news publications. If the mark BUSINESS INSIDER does

not designate a characteristic of such goods, it is difficult to see how the opposition can succeed against the other of the applicant's goods and services. Certainly, the opposition is focussed upon providing arguments that the mark is open to objection in respect of these goods. Similarly, the grounds of opposition against the mark INSIDER will be no more likely to succeed in respect of the goods and services listed than they are in respect of business news publications. Therefore, I will focus my analysis on the applicant's marks being used in respect of these goods, but will keep in mind the other goods and services listed.

20) Taking account of my comments, above, I will consider the applicant's marks from the perspective of the relevant public being, as the opponent has suggested, both the general public and business to business users.

21) The opponent's case is that the applicant's marks designate a characteristic of the goods and services, namely that the marks designate the nature of the information that is the subject of the applicant's goods and services. It claims that the mark INSIDER designates "inside information" and in the case of the mark BUSINESS INSIDER, that this is "inside information" relating to business. At the hearing, Ms Himsworth submitted that, as such, both marks designate a characteristic of the goods and that this is analogous with the findings of the General Court in *Reed Exhibitions Ltd v OHIM*, T-633/13, when it found that the mark INFOSECURITY was descriptive of the subject matter of publications. At its paragraph 55, that decision referred to a number of other General Court ("the GC") decisions that Ms Himsworth also relied upon. These cases were:

- *PTV Planung Transport Verkehr AG v OHIM (map&guide)*, T-302/03, ECR, EU:T:2006:296 in respect of the mark *map&guide* for goods and services that included computer software;
- *Prana Haus v OHIM*, T-226/07, EU:T:2008:381 in respect of the mark *PRANAHAUS*. Whilst this judgment is not available in English, I understand the mark to be meaningful in respect to alternative medicine in German and the goods covered include *Produits de l'imprimerie* (products of printing);

- *Maharishi Foundation v OHIM (TRANSCENDENTAL MEDITATION)*, T-412/11, EU:T:2013:62.

22) None of these marks appear to be on all fours with the two marks at issue. The opponent's case is that the applicant's marks indicate inside information as opposed to describing the subject matter itself whereas the mark INFOSECURITY describes the subject matter of, for example, printed matter; the mark PRANAHAUS apparently describes a concept of alternative healing to German consumers, but of course, I am unable to put myself in the place of a German consumer; the mark *TRANSCENDENTAL MEDITATION* describes the subject matter of, for example, instructional material.

23) Ms Himsworth concluded by submitting that the relevant public, upon encountering the marks, will know that they are going to be told information that an insider or business insider knows. Mr Mellor submitted that Ms Himsworth's own submissions illustrate that both of the applicant's marks are, in fact, no more than allusive. Mr Mellor suggested that the following indications are supportive of an interpretation of the marks as being allusive:

- The applicant had the confidence to put the marks on the market as a way of identifying the origin of its goods;
- a third party in Scotland is using the mark BUSINESS INSIDER as a mark to identify its goods (and has an agreement – not in evidence - with the applicant that the applicant will not use its mark in Scotland);
- the opponent has also used the mark BUSINESS INSIDER as a trade mark in the USA for many years and now wants to use it as a trade mark in the UK;
- The examples of use of INSIDER that the opponent provides at its Exhibit MK3 are, in fact, examples of use as a brand and indicate trade source. These are the opponent's own TECH INSIDER as well as REUTERS INSIDER, APPLE INSIDER, INSURANCE INSIDER and ESPN's mark INSIDER used for its subscription service. Mr Mellor submitted that in all these examples the word INSIDER is used in an allusive way and not in a way that designates the goods and services provided;

- The dictionary definition of INSIDER provided at the opponent's Exhibit MK2 refers to it describing a person, therefore it cannot immediately inform the relevant public of a characteristic of the goods and services. Rather, both marks rely upon an allusion;
- There are "shades of an oxymoron" about the marks because they describe a person possessing secret information, but the goods of interest to the parties divulge information.

24) Mr Mellor stated that, in making his submissions, he concentrated on the meaning of the applicant's marks in respect of news publications, being the goods of main interest to both parties, but stated that any likelihood of the marks being caught by the provisions of section 3(1)(c) are even more remote for the other goods and services covered by the applications. As I stated earlier, I concur with this approach.

25) Mr Mellor submitted that allusive marks are not caught by the section 3(1)(c) provision and the fundamental difference between the positions of the parties is that the opponent considers that the applicant's marks fall squarely into the category of marks designating characteristics of the goods and services, whereas the applicant considers that the marks are merely allusive.

26) As Mr Mellor pointed out, the dictionary definition of the word INSIDER is that it is a description of a "person who is within some society, organisation, etc; a person who is party to a secret, esp. so as to gain an unfair advantage". With this in mind, I am not persuaded by Ms Himsworth's submission that the marks designate a characteristic of the goods and services. I agree with Mr Mellor when he suggested that the marks INSIDER and BUSINESS INSIDER both fall short of designating a characteristic but are, in fact, allusive of the information, suggesting that it is information only privy to an insider or a business insider. No doubt, both parties alighted upon the marks independently of each other, but for the same reason, namely that they function to identify trade origin whilst strongly alluding to the type of information the relevant public can expect to be included in the publications.

27) Consequently, I reject the opponent's submissions and conclude that neither of the applicant's marks designates any characteristic of the goods and services such as *downloadable publications* in Class 9, *periodicals* (such as news publications) in Class 16 or *news reporting services* in Class 41. As Mr Mellor submitted, the marks are allusive rather than descriptive in respect of these goods and services and, further, the case is even weaker in respect of the applicant's other goods and services.

28) In summary, I conclude that, in respect of both BUSINESS INSIDER and INSIDER the grounds based upon section 3(1)(c) fail in their entirety.

### **Section 3(1)(d)**

29) In *Telefon & Buch Verlagsgesellschaft GmbH v OHIM*, Case T-322/03, the GC summarised the case law of the Court of Justice under the equivalent of s.3(1)(d) of the Act, as follows:

“49. Article 7(1)(d) of Regulation No 40/94 must be interpreted as precluding registration of a trade mark only where the signs or indications of which the mark is exclusively composed have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services in respect of which registration of that mark is sought (see, by analogy, Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 31, and Case T-237/01 *Alcon v OHIM – Dr. Robert Winzer Pharma* (BSS) [2003] ECR II-411, paragraph 37). Accordingly, whether a mark is customary can only be assessed, firstly, by reference to the goods or services in respect of which registration is sought, even though the provision in question does not explicitly refer to those goods or services, and, secondly, on the basis of the target public's perception of the mark (BSS, paragraph 37).

50. With regard to the target public, the question whether a sign is customary must be assessed by taking account of the expectations which the average consumer, who is deemed to be reasonably well informed and reasonably observant and circumspect, is presumed to have in respect of the type of goods in question (BSS, paragraph 38).

51. Furthermore, although there is a clear overlap between the scope of Article 7(1)(c) and Article 7(1)(d) of Regulation No 40/94, marks covered by Article 7(1)(d) are excluded from registration not on the basis that they are descriptive, but on the basis of current usage in trade sectors covering trade in the goods or services for which the marks are sought to be registered (see, by analogy, *Merz & Krell*, paragraph 35, and *BSS*, paragraph 39).

52. Finally, signs or indications constituting a trade mark which have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services covered by that mark are not capable of distinguishing the goods or services of one undertaking from those of other undertakings and do not therefore fulfil the essential function of a trade mark (see, by analogy, *Merz & Krell*, paragraph 37, and *BSS*, paragraph 40).”

30) The opponent’s section 3(1)(d) grounds are directed only against the applicant’s INSIDER mark. I must consider if this word is used in the current language and/or established practices of the trade or whether it functions to designate the goods of one undertaking from another.

31) The opponent has adduced evidence in the form of other publications which use the word INSIDER. Ms Himsforth submitted that these marks, namely TECH INSIDER, REUTERS INSIDER, APPLE INSIDER, THE INSURANCE INSIDER and ESPN’s sign INSIDER all illustrate that the word INSIDER is used in the current language of the trade.

32) Ms Roberts cast doubt on the Internet extract showing TECH INSIDER because it carries a domain ending indicating the British Indian Ocean Territory and not the UK and the website was only registered on 20 April 2015, being after the relevant date in the current proceedings. I concur with Ms Roberts’ criticism and additionally, I note that the sign appears to be used as an indication of origin and this lends support to a finding that the word INSIDER is not used in the customary language of the trade. In respect of REUTERS INSIDER and APPLE INSIDER, the use may



potentially be interpreted in a way where the word INSIDER is merely allusive or distinctive or it may be perceived as being customary language of the trade. However, in light of the meaning of INSIDER as being a person rather than designating subject matter, my interpretation of these examples is that they show use of house marks and secondary marks. These examples fail to convince me that the word INSIDER is used in the customary language of the trade. In respect of THE INSURANCE INSIDER, once again, it is presented and used in a way that is consistent with trade mark use, and once again, I find that this is not persuasive. Finally, in respect of ESPN's mark INSIDER, this is the only example where INSIDER is used alone, but the nature of the use shown is still consistent with use as an indicator of origin and I find that it fails to support the opponent's arguments.

33) Taking all of the above into account, I conclude that the evidence fails to demonstrate that the word INSIDER is customary language of the trade. As I have already found, the word does no more than allude to any information being of a kind to which only an insider would be privy. The opposition based upon section 3(1)(d) fails.

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

34) The law in relation to section 3(6) of the Act ("bad faith") was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch):

"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 *Chocoladenfabriken 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)."

35) The opponent's case was based on a pleading that the intention of the applicant when filing for its marks was to prevent the opponent using its company name and unregistered rights in the UK.

36) At the hearing, Ms Himsworth referred to the applicant's defence that it filed the applications in order to protect its position in the market place and submitted that the scope of its applications is much broader than the use shown in evidence. Consequently, Ms Himsworth contended that the breadth of its specifications amounts to bad faith and the applicant breached the requirements of section 32 when it made the declaration on the application forms that it had a bona fide intention to use its marks in respect of all the goods and services listed.

37) Mr Mellor submitted that, firstly, this argument was not open for the opponent to run because "breadth of specification" was not pleaded and, secondly, because the breadth of the specifications was carefully chosen to reflect actual use shown in the evidence. Further, he stated that, if this argument had been pleaded, the applicant could and would have put in further evidence directed at this issue.

38) I agree with Mr Mellor. The submission that the applicant has no bona fide intention to use its marks on the full range of goods and services was not pleaded and cannot be relied upon at this late stage. I reject the opponent's submissions on this point.

39) Turning to the pleaded case, Ms Himsworth submitted that the applicant was not the proprietor of a pre-existing right in the marks (a submission that is consistent with the opponent's pleaded case in respect of section 3(1)(c) and section 3(1)(d) that the marks designate characteristics of the goods and services and/or are part of the customary language of the trade) and that the applicant was aware of the opponent's commercial activities.

40) Regarding the first of these submissions, earlier in this decision, I found that the applicant's marks do not offend under Sections 3(1)(c) or (d) of the Act. Consequently, it follows that the applicant's long-standing use of the marks has, at the very least, provided the applicant with a reason to believe that it has pre-existing rights. Therefore, I reject the opponent's case insofar as it relies upon this submission.

41) In respect of the opponent's pleaded case that the applications were filed to prevent it from using its company name and unregistered mark, Mr Mellor submitted that the applicant acted in a legitimate way to protect its unregistered rights in the UK when it became aware that the opponent was entering the UK market. Whilst not determinative, the fact that the opponent engaged in negotiations with the applicant lends some support to the fact that its entry into the UK market in some way caused concern to the applicant. Further, there is no dispute that the applicant has been active on the UK market since at least 1991 and that the opponent only launched in the UK in 2014. This all lends support to the applicant's submission that its applications were made in response to the opponent's entry into the UK market and as Mr Mellor submitted, it is not bad faith to try and protect pre-existing rights from a third party's entry into the market.

42) Further, I note that merely knowing that a trade mark was in use by another in another jurisdiction does not necessarily amount to bad faith (see *Malaysia Dairy Industries Pte Ltd v Ankenævnet for Patenter og Varemærker* Case C-320/12, paragraphs 2 and 3). Whilst intentionally applying to register a mark in the knowledge of a third party's use of an identical mark used in other markets may amount to bad faith (see the comments of Mr Geoffrey Hobbs QC, sitting as the

Appointed Person in *Daawat Trade Mark* [2003] RPC 11), in the current case there are additional factors to consider. These additional factors are those identified by Mr Mellor and I agree with him. I find that the applications were made as a legitimate response to the arrival of the opponent on to the UK market. Further, when considering the opponent's case in respect to its section 3(1) grounds and the section 3(1) proviso, it is clear that it believes that the applicant has no protectable rights in its marks. It is equally clear to me that the applicant believes it does. Such a belief does not point to bad faith, but rather a genuine attempt by the applicant to protect what, it believed, are its legitimate earlier rights. These circumstances indicate that the applicant is likely to have been acting in good faith.

43) In summary, I reject the opponent's claim that the applications were made in bad faith.

## **Summary**

44) The opposition fails in its entirety.

## **COSTS**

45) The applicant has been successful and is entitled to a contribution towards its costs. At the hearing, both sides indicated that they were seeking costs according to the published scale in Tribunal Practice Notice 4/2007. Ms Himsworth also claimed that I should take account of the costs associated with the case management conference ("cmc") held on 10 May 2016 to discuss the volume of evidence submitted by the applicant. Whilst I found the volumes filed to be unnecessarily greater than the guidance allowed, I also recognised that the nature of this evidence was such that it did not require any great analysis in order to draw conclusions as to the materiality of it. The representative for the opponent at the cmc, Steven Farmer, agreed. In light of this, I took the pragmatic view that I would leave the evidence undisturbed. With this in mind, it is not appropriate to award costs in respect of additional work in assessing the evidence because I concluded there would be little by way of extra work. However, it is appropriate that a contribution to the opponent's costs of that cmc is reflected in the overall costs award and, accordingly, I find it

appropriate to reduce the award to the applicant by £200. Therefore, I award costs as follows:

Considering statement and preparing counterstatement	£300
Evidence	£800
Preparing for, and attendance at hearing	£1000
Reduction for cmc	(£200)
<b>Total:</b>	<b>£1900</b>

46) I order Business Insider, Inc. to pay Newsco Insider Limited the sum of £1900 which, in the absence of an appeal, should be paid within 14 days of the expiry of the appeal period.

**Dated this 24<sup>th</sup> day of January 2017**



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