

TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION NO. 10684
BY STEVEN HUGHES & FREEVOTE LIMITED
FOR A DECLARATION OF INVALIDITY
IN RESPECT OF REGISTRATION NO. 2150283
IN THE NAME OF
DESIGNDOCK LIMITED

DECISION

1) Trade Mark registration No 2150283 GOLDDIGGA covers “Articles of clothing; leisurewear; sportswear; footwear; headgear.” in Class 25. The registration has effect from 7 November 1997, and is in the name of DesignDock Ltd.

2) By an application dated 15 April 1999 Steven Hughes and Freevote Limited jointly applied for a declaration of invalidity in respect of this registration. The grounds stated were in summary:

a) At the date of the application for registration (7 November 1997) the registered proprietor and/or its director Mr Aaron Thalmann, was fully aware of Mr Hughes’s trade marks GOLDIGGERS / GOLD DIGGERS / GOLDIGGER, (for convenience all three referred to simply as GOLDIGGERS) used in the clothing filed, inter alia through having bought GOLDIGGERS goods from Mr Hughes or his company (Freevote Ltd trading as Hussy) such goods having been supplied to Mr Thalmann’s former company TIME, and through Mr Thalmann knowing Mr Hughes personally as well as in business.

b) The applicants have continuously used their trade marks in relation to clothing since May 1994 and by 7 November 1997 had acquired a substantial reputation such as to be able to prevent use of the mark in suit by virtue of the law of passing off.

c) The applicants ask that the registration be declared invalid as contrary to Sections 3(6) & 5(4)(a).

3) The registered proprietor filed a counterstatement denying all the grounds, stating that the applicants had used the brand name HUSSY GOLDIGGER(S), “placing great emphasis on the word HUSSY itself.”

4) Both sides ask for an award of costs in their favour.

5) Both sides filed evidence in these proceedings and the matter came to be heard on 18 December 2001 when the applicants were represented by Mr Tritton of Counsel instructed by Messrs W P Thompson & Co., and the registered proprietor by Mr ST.Ville of Counsel instructed by Messrs William A Shepherd & Son.

APPLICANTS' EVIDENCE

6) The applicants filed three statutory declarations and three witness statements. The first declaration, dated 11 May 2000, is by Steven Christopher Hughes who is one of the applicants and is also a director of the other applicant Freevote Ltd, a position he has held since 1994.

7) Mr Hughes states that he first adopted the mark GOLDIGGERS (with which he includes the spellings GOLDIGGER., GOLD DIGGER, and GOLD DIGGERS) in May 1994. Since when he and /or his company Freevote Ltd, both also using the business name Hussy, have used the mark continuously in relation to womenswear. He provides the following turnover and promotional figures:

Year	Turnover £	Promotional expenditure £
1994	7,977	-
1995	229,572	3,299
1996	383,768	1,446
1997	415,170	19,267
1998	564,402	30,886

8) At exhibit SCH1 Mr Hughes provides a list from design records which states the names of the designs used. Also provided is a copy of some of the designs as printed on the goods. These show the word HUSSY in large print above the words GOLD DIGGERS in one instance and above GOLD DIGGER in another.

9) Included in this exhibit is a letter from Premier Services who describe themselves as "Woven Label Suppliers". The letter, dated 5 March 1999, is from The Chairman of Premier Services to "Freevote Limited T/A Hussy". The letter is not in the form of a witness statement, affidavit or statutory declaration. The writer is, therefore, not a witness in the proceedings and could not be cross examined. The letter states that Premier Services have been supplying woven garment labels to Freevote Ltd since 11 June 1994. The letter states that they supply labels for "Hussy Goldiggers", "Hussy Maiden England" and "Hussy Regalia". It also states "Based on order volumes, the Hussy Goldiggers range has been the main brand for Freevote Ltd since 1995 and that the Goldiggers name is uniquely identifiable with the Hussy brand". Attached to the letter although not referred to in the letter itself are two sheets with copies of the labels showing the mark HUSSY once with the word REGALIA underneath, others with GOLDIGGERS underneath, and another with the words MAIDEN ENGLAND. In each instance the word HUSSY is in a different font to the other word(s).

10) At exhibit SCH2 is a page from LIFE magazine dated 7 May 1995, and also the May 1997 edition of MIZZ magazine. Both of which show pictures of T-shirts, one with the word HUSSY above the words GOLD DIGGERS the other showing the word HUSSY over the word GOLDIGGER with what is described as a "Tommy Hilfiger lookalike" flag design.

11) Mr Hughes claims that he had known Mr Thalmann for several years prior to the incorporation of DesignDock Ltd. He also claims that until December 1999 Mr Thalmann was the only Director of DesignDock Ltd. He further claims that Mr Thalmann was the secretary and a Director of A.F.T (Time) Ltd. At exhibit SCH3, 4 & 5 he provides copies of entries from Companies House which confirm these claims.

12) Mr Hughes states that Mr Thalmann, acting on behalf of AFT (Time) Ltd had purchased GOLDIGGERS clothing. He claims that Mr Thalmann would have known that GOLDIGGERS was a "Hussy" mark. At exhibit SCH6 he provides invoices and copies from the ledger showing sales of clothing to AFT (Time) Ltd. Mr Hughes states that all the items carried the GOLDIGGERS mark even though the only mention of the term has been added by hand during the course of this action. Despite this contact Mr Thalmann, via his trade mark attorneys, denied any knowledge of Mr Hughes or Freevote Ltd. This letter, dated 12 February 1998, is at exhibit SCH7.

13) Lastly, Mr Hughes states that he met Mr Thalmann at a number of trade shows before 7 November 1997, and that Mr Thalmann inspected the "Hussy" stand. Subsequently, Mr Hughes alleges that most of his current stockists have been approached by the registered proprietor offering them goods under the mark in suit which has, Mr Hughes claims, caused confusion to the customers and damage to his business.

14) The next declaration, dated 11 May 2000, is by Kathy Smedley. Ms Smedley states that between June 1992 and July 1997 she was "employed as an Office Manager / Administrator looking after the books of both AFT (Time) LTD and the unincorporated [sic] A F Tees business of Mr A Thalmann". She states that "I clearly remember meeting Steven Hughes and actually being introduced to him by Mr Thalmann. I remember the GOLDIGGERS brand and that the GOLDIGGERS name actually occurred in conversations between Mr Thalmann and Mr Hughes. My impression was that GOLDIGGERS was clearly a Hussy trade mark."

15) Finally she states, "I also remember seeing the name GOLDIGGERS in our own stock records which were kept by me, in addition to seeing garments bearing the GOLDIGGERS brand."

16) The next declaration, dated 10 May 2000, is by Alan Peter Roberts, employed as an accountant by Freevote Ltd, a position he has held since 1990. At exhibit APR1 he provides a copy of a ledger sheet which shows goods being provided to a firm trading as "Time" located in Derby. The contact name for this customer is Aaron Thalmann. Mr Roberts confirms that amongst the goods provided were GOLDIGGERS T-shirts, although the ledger shows no details of what was supplied or what marks appeared on the goods supplied.

17) The opponents also filed three witness statements by individuals who have been associated with the field of clothing for between three and twenty five years. The individuals are Leo Stanley the Office Manager of Gold Gem International Ltd, Andrew Slater the owner of Lounge Lizard and Christopher Carlton Carpenter the owner of Crunch Clothing.

18) In response to a questionnaire sent out by W.P. Thompson & Co. on behalf of the opponent, the three gentlemen responded by confirm that they were "familiar with the trade

mark Goldiggers (and its variant spellings Goldigger / Gold Diggers and Gold Digger)". They stated that they had been aware of the marks prior to the relevant date, 7 November 1997. Two stated that they associated the mark with "Hussy / Steve Hughes", the other stated that he associated the mark with "the SCH Group i.e. Hussy, Steve Hughes, Freevote Ltd and Kyng".

REGISTERED PROPRIETOR'S EVIDENCE

19) The proprietor filed a declaration, dated 30 April 2001, by Aaron Frank Thalmann a Director of DesignDock Ltd.

20) Mr Thalmann states that the mark in suit was "thought up by my niece, Rita Thalmann, in April 1997". A search of the UK Registry was undertaken by his trade mark agent. As no similar mark was found an application to register the mark was submitted. Copies of the search are provided at exhibit AFT1.

21) Mr Thalmann claims that as the search proved negative the mark was put into use and has been in use since 1997 in relation to "articles of clothing; leisurewear; sportswear; footwear; headgear." Specimens of labels and a copy of a product catalogue are provided at exhibit AFT2. The labels show the mark in suit together with a circle device. The catalogue is for spring/ summer 2000 and shows use of the mark in suit and circle device

22) Turnover figures for the years 1997/98 and 1998/99, promotional figures, items of literature and order forms are provided at exhibits AFT3 & 4. These show that the mark is used with a variety of others words and images.

23) Mr Thalmann claims that the applicants' use of the mark is always in conjunction with the word HUSSY. As such he states that consumers would not be confused. He states that the applicants have shown only two examples of advertising prior to the relevant date and again showed use of both HUSSY and GOLDIGGERS. Further, he states:

"Whilst I was aware of Steven Hughes in that I did place some orders for clothing from him, I was not aware that he may have a strong and genuine interest in the name GOLDIGGER(S), as to the best of my knowledge, his brand was HUSSY. It was not my practice to check the decorative matter on T-shirts, the main issue being one of quality and price."

24) Mr Thalmann also voices doubts over the applicants' evidence:

"Although the invoices show specific reference to the word GOLDIGGER(S) such references have been hand written. Quite frankly, there is no proof that these references were written at the time of submitting the invoices and as such, I do not believe the same should be accepted as proof of use of the trade mark. I do not recollect having received invoices with hand written references and have been endeavouring to secure the originals, which have been placed in storage. Unfortunately, bearing in mind the time which has elapsed and the amount of papers in

storage it has not been possible to furnish the documents as evidence, although I am fairly confident that I would be able to secure them.”

25) Mr Thalmann also states that the applicants never approached him at the various shows attended by both parties with a request to cease trading under the mark in suit. He claims that Kathy Smedley who provided a declaration for the applicants was employed only to carry out administrative duties and had no direct contact with customers or dealt with any sales issues. He also takes issue with the evidence of Messrs Stanley, Carpenter and Slater claiming that the questions asked had been “leading” and that some of the evidence and exhibits are unsigned and undated.

APPLICANTS’ EVIDENCE IN REPLY

26) The applicants filed a second declaration, dated 9 July 2001, by Mr Hughes. He makes a number of comments on the evidence of Mr Thalmann. I shall only refer to those parts which I believe to be of relevance.

27) Mr Hughes points out that it is common for companies to use two trade marks next to each other, such as CLARKS SPRINGERS, ADIDAS PREDATOR or LEVI’S RED TAB. Mr Hughes confirms that he used the mark GOLDIGGERS in the market place from May 1994 to date. He also confirms that the mark has been used on T shirts. As to the comments regarding handwritten notes on invoices he confirms that these were not part of the original documentation but were added to “explain the full significance of the actual entries which might otherwise not have been clear.” Mr Hughes states that this evidence was also to refute the claim by Mr Thalmann that he did not know Mr Hughes. He also claims to have asked Mr Thalmann during a telephone conversation in February 1998 to cease to use the mark.

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

DECISION

29) At the hearing a preliminary point was raised regarding the non-attendance of two witnesses. The registered proprietor requested that the Registrar issue witness summons to Ms Smedley and Mr Carlton so that they could be cross examined on the evidence they had provided for the applicants. As the Registrar considers that she does not have the power to issue a witness summons a direction for these persons to attend was issued to the applicants’ agent. The agent for the registered proprietor was informed that if they wished a summons to be issued then they would have to apply to the Court.

30) Despite the issuing of the direction the witnesses failed to attend the hearing. Mr ST.Ville for the registered proprietor sought to file, as additional evidence, documents and records which were to have been put to the witnesses, a supplementary statement by Mr Thalmann and a witness statement by Mr Carpenter stating that his original statement was not correct in asserting that he associated the trade mark Goldigger with Mr Hughes.

31) Mr Tritton objected to the admittance of some of this evidence. He accepted that the statement by Mr Carpenter should be admitted. However, he objected to the comments regarding Mr Carpenter and Ms Smedley contained in paragraphs 2-8 and 10-13, respectively of Mr Thalmann's witness statement.

32) Having considered the submissions I decided that as neither Mr Carpenter or Ms Smedley were in attendance and able to be cross examined on their evidence then no weight could be attached to any part of their original statements which had been contested by the registered proprietor in his evidence. In my view the whole of the evidence submitted by Mr Carpenter and Ms Smedley had been contested by the registered proprietor and so no weight could be attached to any part of their evidence. Thus, the additional statement of Mr Carpenter and the comments contained in paragraphs' 2-8 and 10-13 of Mr Thalmann's supplementary statement were superceded. I allowed into evidence paragraphs one and nine of the supplementary statement of Mr Thalmann, with the other paragraphs being redacted. I did not accept Mr ST.Ville's submission that the additional witness statement by Mr Carpenter should be allowed into the case as it would shed light on the value of the evidence of Messrs Stanley and Slater.

33) The admitted additional evidence of Mr Thalmann related to copies of stock records kept by Mr Thalmann's former business. He states that these records, produced at exhibit AFT7, show numerous references to HUSSY from 12 January 1995 until 16 September 1995 but do not, he points out, refer to GOLDDIGGERS. The front sheet on the exhibit refers to "Sales Ledger Records" and each sheet is handwritten and shows dates and individually described items such as "Dready Hood", "Komodo pants", "Stussy S/S" and a price for each. The exhibit has the appearance of a shop sales record written by assistants as items are sold.

34) The request for the declaration of invalidity is made under the provisions under Section 47 of the Act. This states:

"47. - (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) The registration of a trade mark may be declared invalid on the ground -

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier mark or other earlier right has consented to the

registration.”

35) I shall deal first with the ground of invalidity based on Section 5(4)(a) of the Trade Marks Act 1994 which states:

“5. (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

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.”

36) In deciding whether the mark in question “GOLDDIGGA” offends against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the WILD CHILD case (1998 14 RPC 455). In that decision Mr Hobbs stated that:

The question raised by the Grounds of Opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the Applicant from those of other undertakings (see Section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Art.4(4)(b) of the Directive and Section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the Applicant in accordance with the law of passing off.

A helpful summary of the elements of an action for passing off can be found in Halsbury’s Laws of England 4th Edition Vol. 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in Reckitt & Colman Products Ltd - v - Borden Inc. [1990] RPC 341 and Even Warnik BV - v - J. Townend & Sons (Hull) Ltd [1979] AC 731 is (with footnotes omitted) as follows:

The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff’s 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 defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the

erroneous belief engendered by the defendant's misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of "passing off", and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

37) Mr ST. Ville contended that the applicants had to establish an earlier right at both the date of the original application for registration (7 November 1997) and also the date of the application for invalidity (14 April 1999). He also stated that although the registered proprietor began use slightly prior to the date of application “it does not make any difference in this case because the use relied upon to create the goodwill resided in 1995”.

38) The date at which the matter must be judged is not entirely clear from Section 5(4)(a) of the Act. This provision is clearly intended to implement Article 4(4)(b) of Directive 89/104/EEC. It is now well settled that it is appropriate to look to the wording of the Directive in order to settle matters of doubt arising from the wording of equivalent provisions of the Act. It is clear from Article 4(4)(b) that the earlier right had to have been “acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed...”. The relevant date is therefore 7 November 1997, the effective date of registration of the registered proprietor’s mark.

39) Although the Section 5(4)(a) claim has to be established at the date of the application, it is clear that the applicants could have had no such right if, the registered proprietor’s use is protected in the UK from an earlier date or if, by the relevant date, the registered proprietor had established its own actionable goodwill in the UK (*Habib Bank* 1982 RPC at 24).

40) With these considerations in mind I turn to assess the evidence filed on the behalf of the parties in the present proceedings as set out earlier in this decision, and the arguments put forward at the hearing.

41) The applicants state that the mark Goldiggers has been used since May 1994. They provide turnover figures for the years 1994 -1998 inclusive. However, these figures do not appear to relate specifically to the mark Goldiggers but would seem to refer to the total turnover of goods under the HUSSY “housemark”. Nor is it clear that the figures relate to sales solely in the UK. The applicants have provided copies of neck labels which show, inter alia, use of the marks GOLD DIGGER and GOLD DIGGERS in conjunction with the HUSSY mark. However, there is no evidence that such neck labels were ever purchased before the relevant date and there is no evidence that they were ever used. The applicant has not supplied a single example of a garment with a HUSSY GOLDIGGER label on it. The two examples of Hussy Goldigger in use in advertisements (exhibit SCH2) show the name emblazoned across the chest of T-shirts. The second example (page 26 of “Mizz” magazine) carries a neck label, which although not fully visible, appears to correspond to the neck label (in SCH1) carrying the brand “HUSSY MAIDEN ENGLAND”. The Mizz description identifies the origin of the goods as “Hussy” and the T-shirt as a Tommy Hilfiger lookalike, presumably because the words Hussy Goldigger rhythm with it, and because the words are presented, in this example, on a similar coloured background to that used for the Tommy Hilfiger mark.

42) Clearly the applicants have used the words GOLD DIGGERS and GOLDIGGER on the

front of T-shirts again in conjunction with the word HUSSY. Whether decorative use of words rhyming with TOMMY HILFIGER would be viewed as trademark use is questionable. In this respect I note that the opponent in the WILD CHILD case failed, not because he could not show earlier use of WILD CHILD but because he failed to show that the use had been as a trade mark rather than as mere decoration. No weight can be given to the various invoices provided as none of them originally had the word GOLDIGGER on them, indicating that it had been used as, or as part of, a trade mark.

43) In the case of *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenmy House, Gary Stringer (a partnership)* [2002] RPC 19, Pumfrey J. in considering an appeal from a decision of the Registry to reject an opposition under Section 5(4)(a) said:

*“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.*

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

44) For reasons stated earlier no weight can be attached to the evidence of Ms Smedley and Mr Carpenter. Other evidence of use comes from an employee of the applicants (Mr Roberts) who states that goods with the mark GOLDIGGER were supplied to the registered proprietor. Finally there are the statements of two individuals (Messrs Slater and Stanley) engaged in the clothing field. Both state that the mark, in its various forms of spelling, has been used by the applicants, but they do not state that they purchased such goods. Both statements were in the form of completed questionnaires which provided no opportunity for the respondents to identify GOLDIGGER as anything other than as a trade mark. Further, the respondents are traders and not typical of consumers of the goods. Given this, and the manner in which their evidence was collected, little weight can be attached to their evidence.

45) The applicant only instances of proven use of the mark HUSSY GOLDIGGER is on T-shirts. The question I have to consider is whether the average consumer, in this case the general public, relied upon the GOLDIGGER sign to identify the source of the goods, or merely saw it as decorative use. The applicant’s use is ambivalent in this respect. The evidence of Messrs Roberts, Slater and Stanley sheds little light on how consumers viewed the use of GOLDIGGER by the applicant. None of the invoices at SCH6 or the sales records at AFT7 include the sign. It is not therefore possible to conclude that the applicant’s goodwill as a trader in clothing was distinguished by the mark GOLDIGGER. As in a passing off action, the onus under Section 5(4) is upon the claimant to make out its case. In my view the applicants

have not established that they enjoyed an actionable goodwill under the trade mark GOLDIGGER(s). The ground of invalidity under Section 5(4) therefore fails.

46) I now turn to the other ground of invalidity which is under Section 3(6) which states:

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

47) I take account of the views of Lindsay.J. in *Gromax Plastics Ltd v Don and Low Nonwovens Ltd* (1999 RPC 367 at page 379) where the learned judge said:

“I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined.”

48) It is well established that in an opposition under Section 3(6) of the Act the onus is on the claimant, reflecting the usual approach under English law that he who asserts must prove.

49) The applicants state that at the date of the application Mr Thalmann was the only Director of DesignDock Ltd and that prior to setting up DesignDock Ltd he was the Secretary and Director of a company called A.F.T.(Time) Ltd. The registered proprietor has not denied these statements. The applicants claim that they supplied AFT (Time) Ltd with garments which had the marks HUSSY and GOLDIGGER(S) upon them. The registered proprietor’s response has been somewhat less equivocal to these very specific charges.

50) Initially Mr Thalmann denied having ever heard of Mr Hughes. Later acknowledging the relationship he explained that he only knew Mr Hughes as “Steve from Hussy”. Regarding the question as to whether he had been supplied with garments with the word GOLDIGGER printed on it Mr Thalmann’s responses varied.

51) During the course of Mr Thalmann’s cross examination two documents were introduced into the case. These were labelled Proprietor 1 and Applicant 1. For ease of reference these documents are briefly summarised below:

- Proprietor 1.
This document is a letter written by W. P. Thompson & Co. to William A Shepherd dated 14 April 1999. This letter states that Mr Thalmann and Mr Hughes knew each other and had “done business with each other for some considerable time”. Details of sales by the applicant to the registered proprietor were provided with this letter along with a variety of other documents.
- Applicant 1.
This document is a letter written by William A Shepherd & Son to W.P.Thompson & Co. dated 23 September 1999. In the letter the agent states:

“Our client [*Mr Thalmann*] does vaguely recall that when the approach was made by

Steven Hughes in the advertisement of our client's application that your client may have used the trade mark HUSSY GOLDIGGER(S) or [sic] in conjunction with the "Tommy Hilfiger lookalike", although can recall no instances whereby the Trade Mark was used on its own."

52) Under cross examination Mr Thalmann accepted his agent sent a letter stating that in February 1998 he [Mr Thalmann] was aware that the applicant had used "Hussy Goldigger" on clothing although he was not aware that they had used "Goldigger" on its own. Under oath Mr Thalmann claimed that he was not familiar with trade mark terms and that his agent had worded the letter. He was unable to recall quite when he became aware that the applicant had used the mark Hussy Goldigger on clothing.

53) Mr Thalmann also stated that the wording in his declaration was not his own. In his declaration it stated "I was not aware that he [Steven Hughes] may have a strong and genuine interest in the name Golddigger(s), as to the best of my knowledge, his brand was Hussy". Under cross-examination Mr Thalmann stated that:

"I was not really aware, very aware, of him having any interest in it anyway. I knew Steve from Hussy for a brand called Hussy."

54) This lack of knowledge was seemingly explained in his written statement where Mr Thalmann stated that "It was not my practice to check the decorative matter on T-shirts, the main issue being quality and price". However, when cross-examined on this evidence, Mr Thalmann contradicted himself. When asked "So when you look at the clothing which you are buying, you will look to see what is on the outside of those T-shirts and other garments" Mr Thalmann answered in the affirmative. Although he was unable to remember what was on the garments he was sure that they did not have GOLDIGGER on them.

55) Mr Thalmann's memory also seemed unusually selective. He was unable to remember what years he had purchased garments from the applicants, although given the passage of time this is perhaps understandable. He also had difficulty in providing details of his three major customers for goods under the mark in suit in 1997/98. However, he had no difficulty in recalling that he had only ever given to his niece, identified as the designer of the mark in suit, clothing with the "Dready" label. He was positive that he had never given her any HUSSY clothing although these gifts occurred throughout the decade 1990-2000.

56) Mr Thalmann was not a particularly reliable witness and contradicted some of his earlier evidence and was very evasive on other points. His supplementary statement had as an exhibit what were described as "Stock records". However, under cross examination Mr Thalmann acknowledged that the records were in fact copies of a sales book which recorded sales made in Mr Thalmann's shop and completed as each sale was made by the shop assistants. Mr Thalmann acknowledged that they are not a record of stock, and that the stock records were taken by the receiver.

57) Earlier in this decision I found the nature of the applicants evidence of GOLDIGGER to be equivocal. The letter from the proprietor's trade mark agent is not, in my view strong evidence. The fact that HUSSY GOLDIGGER was being used as a look-a-like to a well

known brand, from which it may be inferred that it was also being used as a brand is not compelling. Particularly when other instances of terms being used as look-a-likes such as SICK SLUT (Silk Cut) are being used, as decoration on T-shirts, as shown in exhibit SCH2. Earlier I found that the applicants had not established that they had goodwill under the mark GOLDIGGER for passing off purposes.

58) Notwithstanding his unconvincing performance under cross examination, on the balance of probabilities, I believe that although Mr Thalmann, whilst aware that the applicants were using the term HUSSY GOLDIGGER on their clothing, believed that the applicants trade mark was HUSSY, that they did not have “a strong and genuine interest” in the GOLDIGGER mark but were using it as it rhymed with TOMMY HILFIGER on their look-a-like product. To my mind, he knew that they had used GOLDIGGER on their clothing, but merely as decoration not as a trade mark.

59) Earlier use by another party of a sign in a non-trade mark sense is insufficient to support an allegation that a trade mark has been applied for in bad faith. I therefore find that the application was not filed in bad faith. The ground of invalidity based upon section 3(6) therefore fails.

60) The applicants having failed the proprietor is entitled to a contribution towards costs. I order the applicants to pay the registered proprietor the sum of £1835. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 23RD day of August 2002

George W Salthouse
For the Registrar
The Comptroller General