

O-213-09

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2451980
BY ALISON BROWN TO REGISTER THE TRADE MARK**



IN CLASSES 35 AND 41

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 95702
BY MICHAEL LOVELACE**

TRADE MARKS ACT 1994

**IN THE MATTER OF Registration No. 2451980
by Alison Brown to register the Trade Mark**



in Classes 35 and 41

and

**IN THE MATTER OF Opposition thereto under No. 95702
by Michael Lovelace**

BACKGROUND

1) On 10 April 2007, Off Da Record 2006 Limited applied under the Trade Marks Act 1994 ("the Act") for registration of the above trade mark in respect of the following services:

***Class 35:** Promoting entertainment events, shows, concerts, dances, gigs, live and recorded performances; information, consultancy and advice services relating to all the aforesaid services.*

***Class 41:** Organising, arranging, conducting and provision of entertainment events, shows, concerts, dances, gigs, live and recorded performances; information, consultancy and advice services relating to all the aforesaid services.*

2) The application was subsequently published in the Trade Marks Journal on 7 September 2007 and on 24 September 2008 the application was assigned to Alison Brown of 77A, The Parade, Watford, WD17 1LN.

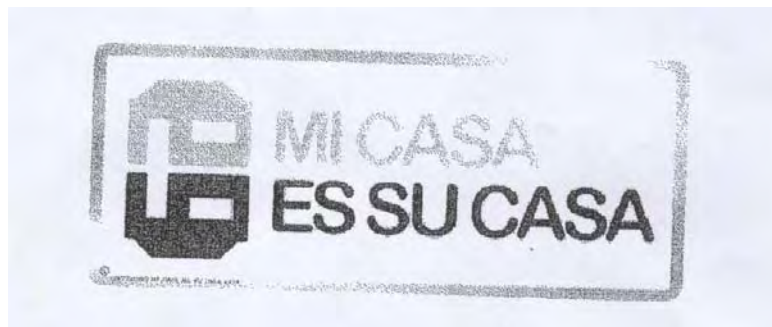
3) On 20 November 2007, Michael Lovelace of 483 Green Lanes, Palmers Green, London, N13 4BS filed notice of opposition to the application. The grounds of opposition are in summary:

- a) The applicant's trade mark offends under Section 3(6) of the Act because the opponent has been using the sign since June 2004 in relation to the promotion and management of DJs and party promotions. When he

became aware of the applicant's use in December 2006 he telephoned the applicant to inform them that they were not entitled to the sign. The applicant then proceeded to file a trade mark application for the same (the contested application).

- b) It offends under Section 5(4) (a) of the Act as the opponent has used the signs, as produced below, since June 2004 in respect of promotion and management of DJs and party promotions:

MI CASA ES SU CASA



4) The applicant subsequently filed a counterstatement denying the claims and putting the opponent to strict proof of use.

5) Both sides filed evidence in these proceedings. Neither side requested to be heard nor filed any written submissions. Both sides ask for an award of costs. After a careful study of the papers, I give my decision.

Opponent's Evidence

6) This takes the form of a witness statement by the opponent, Michael Lovelace dated 3 August 2008. He states that he promotes and manages DJs, organises events and sells CDs and videos under the names "Michael Lovelace" and "Lovelace". He also states that the trade mark MI CASA ES SU CASA was first used by himself in the UK in June 2004 in relation to the promotion and management of DJs.

7) Mr Lovelace explains that the launch event for MI CASA ES SU CASA took place a year later, on 11 June 2005 at the Cosmo Bar, Clerkenwell Road in London and that he has continued to use the sign in relation to events and the promotion and management of DJs, as well as the sale of CDs and videos. Mr Lovelace provides a series of exhibits comprising of copies of flyers used to promote a number of specific events and also a number of copies of web pages from www.dontstayin.com and www.skiddle.com where these events were promoted. The events referred to can be summarised as follows:

Date	Location
11 June 2005 (Launch party)	Cosmo Bar, Clerkenwell Road, London
7 October 2005	The Yacht Club, Victoria Embankment, London
14 January 2006	The Platinum Club, London
11 February 2006	The Platinum Club, London
17 February 2006	The Yacht Club, Victoria Embankment, London
8 April 2006	A "secret venue", London
19 May 2006	A "secret venue", London
21 July 2006	DiTch Bar, Shoreditch High Street, London
28 October 2006	The Yacht Club, Victoria Embankment, London
17 February 2007	The Yacht Club, Victoria Embankment, London

8) Mr Lovelace does not say if these are all of his events relevant to these proceedings. At least one exhibit (Exhibit ML8) suggests the existence of other events, as it includes the following text referring to a bi-monthly event:

"BIGLove Returns...
Saturday 8th April 2006

After the success of the launch of BIGLove in February 2006 you are personally invited to join "MI CASE ES SU CASA" and "FORDSHOUSE PROMOTIONS" for the second instalment of this bi-monthly Saturday night party for the lovers of Deep Soulful Uplifting Funky & Vocal House Music."

9) A number of exhibits illustrating the mark in use are provided. A copy of an invitation to the event held on 17 February 2006 is provided at ML7, reproduced below, and is typical of how the mark MI CASE ES SU CASA is used:



10) At Exhibit ML15, Mr Lovelace also provides a copy of a flyer promoting the applicant's event on 31 March 2007. This flyer appears to relate to a "launch night" and features the words MI CASA ES SU CASA. This flyer is reproduced below:



11) Mr Lovelace states that he attempted to contact the venue for this launch night to inform them that he had the prior right in the sign, but his calls were not returned. He also posted an entry, directed at the venue, on 26 March 2007 on the website www.dontstayin.com, requesting that they did not use the sign in the future. A copy of this posting is provided at Exhibit ML16 and the text of his message is reproduced below:

“Mi Casa Event name

Hi i'm Lovelace

One of the Promoters of Mi Casa Es Su Casa and Mi Casa Recordings

We have notice you have an event of the same name.
This is our registered promotion name and is copyrighted for the last 8 years

I know it late to change your event now, but in the future could you please refrain from using our name. This is currently causing us and our crowd some confusion.

Could you please call me to discuss further.

Regards
Lovelace
[telephone number]”

12) Mr Lovelace discloses annual sales turnover of about £15,000 a year since 2005, with a corresponding promotional spend of about £7000. He also estimates that he has about 2% of the house music parties and promotions market. It is not clear if this estimate relates to the whole of the UK or to the market share in London, where his services have been confined.

Applicant's Evidence

13) This takes the form of a witness statement by the applicant, Alison Brown, dated 28 October 2008. She states that she has no knowledge of any communication referred to by Mr Lovelace and that the trade mark was applied for in good faith, with no knowledge of the earlier sign or with any intention of passing off.

DECISION

Section 3(6)

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

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

15) The relevant date for consideration of a bad faith claim is the application filing date (see *Hotpicks Trade Mark*, [2004] RPC 42 and *Nonogram Trade Mark*,

[2001] RPC 21 and the recent ECJ judgment in *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* Case C-529/07, paragraph 35). Mr Lovelace, in his statement of case, claims that he first became aware that the applicant using the mark in December 2006, but the subsequent witness statement and evidence identifies the first act complained of as being an event that took place at the Kandi Klub, The Parade, Watford on 31 March 2007. I will give consideration to these claims when deciding if the application was made in bad faith.

16) In considering the issue of bad faith, I am mindful of the following judgments: *Gromax Plastics Ltd v. Don & Low Nonwovens Ltd* [1999] RPC 367 (at page 379), *Harrison v. Teton Valley Trading Co* [2005] FSR 10 and *Twinsectra v Yardley* [2002] 2 AC 164. On the basis of these authorities it is clear that bad faith includes dishonesty and also some dealings which fall short of the standards of acceptable commercial behaviour, as observed by reasonable and experienced men in the particular area being examined. Further, dishonesty is to be judged according to the combined test with consideration given to whether the defendant had knowledge of what he was doing would be regarded as dishonest by honest people. However, he should not escape a finding of dishonesty because he sets his own standards of honesty. The words “bad faith” suggest a mental state and as such, I must decide whether the knowledge of the applicant was such that his decision to apply for registration would be regarded as in bad faith by persons adopting proper standards.

17) It is clear that a finding of bad faith may be made in circumstances which do not involve actual dishonesty. Furthermore, it is not necessary for me to reach a view on the applicant’s state of mind regarding the transaction if I am satisfied that their action in applying for the mark in the light of all the surrounding circumstances would have been considered contrary to normally accepted standards of honest conduct. Thus, in considering the actions of the applicant, the test is a combination of the subjective and objective. Furthermore, bad faith includes both dishonesty and business dealings which fall short of the standards of acceptable commercial behaviour i.e. unacceptable or reckless behaviour in a particular business context and on a particular set of facts.

18) In the current proceedings, the opponent has failed to supply any evidence whatsoever that the applicant (at the time) was acting dishonestly or that it undertook dealings which fall short of the standard of acceptable behaviour. Mr Lovelace provides details of his attempt to draw attention to his claimed right in the mark prior to the applicant’s “launch night” on 31 March 2007. Mr Lovelace’s attempt took the form of “calling the Kandi Klub a number of times to inform them that [he] had the prior right to the mark”. Mr Lovelace was told he would need to speak to a Mr Valentine, but despite assurances to the contrary, Mr Valentine never called back. In addition, Mr Lovelace also posted a comment on a discussion forum hosted on the www.dontstayin.com (Exhibit ML16) requesting that, in future, the club refrains from using the name.

19) The problem I have with these attempts to contact the venue is that there is no evidence that he was successful in alerting the applicant to his concerns. It is not known if Mr Valentine was connected to the applicant in anyway other than he is likely to have worked at the club that hosted the applicant's launch event. Further, there is no evidence that Mr Valentine, or anybody else that Mr Lovelace may have talked to, had made the applicant aware of his attempt to draw their attention to his use of the mark and his claimed ownership. Similarly, with his posted comment on the www.dontstayin website, there is no evidence that this comment was ever read by the intended recipient and appears to me to be somewhat "hopeful" in nature. I do note that Ms Brown's address is also recorded as being on The Parade, Watford, the same as the Kandi Klub, but there is nothing before me that suggests that the original proprietor of the application, Off Da Record 2006 Limited, was connected with the Kandi Klub in such a way so as it would have been aware of the attempts by Mr Lovelace to contact the club. Therefore there is no evidence that the applicant was in breach of any legal or moral obligation on part of the applicant towards Mr Lovelace. Arnold J in his judgment in *Hotel Cipriani SRL, Hotelapa Investimento Hoteleiro SA, Island Hotel (Madeira) Limited v. Cipriani (Grosvenor Street) Limited, Giuseppe Cipriani, Cipriani International SA* [2009] RPC 9 at paragraph 186 stated that the involvement of such an obligation is normally present in a case of bad faith.

20) In summary, I cannot conclude that the applicant was aware of Mr Lovelace's earlier use. There is no evidence that the applicant employed tactics that fell short of the standards of acceptable commercial behaviour or that it acted dishonestly in any way. In the absence of any evidence to support this, it remains a matter of conjecture as to how the applicant came to make the application incorporating the same Spanish words, as used by Mr Lovelace, and in respect of the same activities.

21) Therefore, the grounds for opposition based upon Section 3(6) of the Act fails and I will go on to consider the grounds based upon section 5(4) (a).

Section 5(4) (a)

22) Section 5(4) (a) reads as follows:

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

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

(b)

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark”.

23) The requirements for this ground of opposition have been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] R.P.C. 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

(1) that the opponents’ goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the applicant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicant are goods or services of the opponents; and

(3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicant’s misrepresentation.

24) To the above I add the comments of Pumfrey J (as he then was) in the *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* case [2002] RPC 19, in which he said:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent’s reputation extends to the goods comprised in the applicant’s specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under Section 11 of the 1938 Act (See *Smith Hayden (OVAX)* (1946) 63 RPC 97 as qualified by *BALI* [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed at the relevant date. Once raised the applicant must rebut the prima facie case. Obviously he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of possibilities that passing off will occur.”

25) The relevant date for determining the opponent's claim will be the filing date of the application in suit, that is to say 10 April 2007. The earlier right must have been acquired prior to that date (Article 4.4(b) of First Council Directive 89/104 on which the UK Act is based).

26) I must first assess if the opponent has acquired any goodwill and if so, what is the extent of this goodwill at the relevant date. Goodwill was described by Lord Diplock in *Star Industrial Co Ltd v Yap Kwee Kor* [1976] FSR 256 in the following way:

“A passing-off action is a remedy for the invasion of a right of property not in the mark, name or get-up improperly used, but in the business or goodwill likely to be injured by the misrepresentation made by passing-off one person's goods as the goods of another. Goodwill, as the subject of proprietary rights, is incapable of subsisting by itself. It has no independent existence apart from the business to which it is attached”

And by Lord MacNaughton, as long ago as 1901, as “the attractive force that brings in custom” (*Inland Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 HL (E)).

27) Mr Lovelace provides information regarding ten events that all took place prior to the relevant date, the first of these was the “launch party” for his “MI CASA ES SU CASA” event on 11 June 2005. The launch party is described on the entry ticket (Exhibit ML1) as “launching a series of parties for those who love to get into the groove to funky soulful uplifting & sexy house” and includes a number of featured DJs. These ten events took place at a number of different clubs and sometime secret locations, all in London. The web extract at Exhibit ML8 does refer to bi-monthly events, but it is not clear whether any of these, beyond the second event took place. Mr Lovelace does state that annual sales turnover of about £15,000 and that the corresponding promotional spend is about £7,000. He also estimates that he has about 2% of the house music party market. Mr Lovelace also provided a witness statement from one of his customers who stated that she had been attending MI CASE ES SU CASA events for three years as well as evidence of a MI CASA ES SU CASA “regulars group chat” at www.dontstayin.com (Exhibit ML18).

28) None of this is challenged by the applicant. Whilst the turnover does not appear to be very large, a 2% share of the total market is nevertheless not insignificant. I note that use has been limited to London, but I am prepared to accept that Mr Lovelace has a reputation in London and the evidence of repeat business as illustrated by the “regular group chat” on the Internet demonstrates the existence of a least some goodwill associated with these events.

29) Having reached this conclusion, I must go on to consider if there has been misrepresentation and whether any such misrepresentation is such as to cause

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

30) In the current case, both the applicant's and opponent's marks either consist of or contain the dominant and distinctive Spanish words MI CASA ES SU CASA. The opponent, Mr Lovelace uses the mark in respect of the promotion and organising of "house music" parties at a number of club venues in London. Mr Lovelace provides at Exhibit ML15, a copy of Ms Brown's flyer promoting its own event at the Kandi Klub, Watford. This also refers to the event incorporating "dirty electro and funky house". Whilst not in London, Watford is close enough to the capital for those interested in these type of events to be aware of and participate in similar events in London and vice versa. That being the case, and taking account of the close similarity in the respective marks, people familiar with Mr Lovelace's events would expect further events under the same name to be run by the same person who had used that name in the past. As such, I conclude that there is a real likelihood of deception amongst a substantial number of the relevant public, being the house music party attending public in London and the surrounding area.

31) Mr Lovelace's business operates in a narrow field, namely the promotion and organising of house dance music parties. This business footprint is further limited by the size of the business and the geographical extent. Mr Lovelace has provided evidence of ten events between June 2005 and February 2007 all held in London. Nevertheless, Ms Brown's business occupies almost the identical footprint, with the evidence showing the staging of a house dance music party in Watford. I have already commented that the proximity of this location to London is such as to be likely to result in an overlap of the relevant public of the respective businesses. Taking all this into account and considering the close similarity between the marks, I conclude that Mr Lovelace's goodwill will be damaged in that, if Ms Brown's events are unsatisfactory in anyway, this will result in the public avoiding Mr Lovelace's events in the mistaken belief that he was also responsible for Ms Brown's event. Further, Mr Lovelace may lose business to Ms Brown again because of the existence of a mistaken belief that Ms Brown's events are in fact those of Mr Lovelace. He would therefore be deprived of its benefits. There is, however, no evidence that the misrepresentation is intentional but as Mr Hobbs QC stated in *WILD CHILD*, there is no requirement for this to be so.

32) Ms Brown's application also includes "consultancy and advice" with respect to promoting and organising these events. My findings above also apply to these services which can be extremely closely aligned to the promoting and organising services.

33) In summary, I find that the opponent, Mr Lovelace is successful in his opposition to Ms Brown's application in respect to the grounds under Section 5(4) (a) of the Act and the application is refused in its entirety.

COSTS

34) The opposition has been successful and Michael Lovelace is entitled to a contribution towards his costs. I take account of the fact that no hearing has taken place. I award costs on the following basis:

Notice of Opposition and statement	£500
Considering statement of case in reply	£200
Preparing and filing evidence	£400
Considering evidence	£200
TOTAL	£1300

35) I order Alison Brown to pay Michael Lovelace the sum of £1300. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 20th day of July 2009

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