

**O/526/18**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 3211321  
BY HUCKLEBERRY RECRUITMENT LIMITED FOR THE TRADE MARK**



**IN CLASS 35**

**AND**

**THE OPPOSITION THERETO UNDER NO. 409309 BY  
NAMIB BRAND INVESTMENTS (PTY) LTD**

**AND**

**IN THE MATTER OF APPLICATION NO. 3225244  
BY NAMIB BRAND INVESTMENTS (PTY) LTD FOR THE TRADE MARK**

**HUCKLEBERRY**

**IN CLASS 35**

**AND**

**THE OPPOSITION THERETO UNDER NO. 410361 BY  
HUCKLEBERRY RECRUITMENT LIMITED**

## Background and pleadings

1. These consolidated oppositions are between Namib Brand Investments (Pty) Ltd (Namib) and Huckleberry Recruitment Limited (Huckleberry).
2. Huckleberry applied to register the trade mark shown below in the UK on 7 February 2017.



3. It was accepted and published in the Trade Marks Journal on 17 February 2017 in respect of the following services:

### *Class 35*

*Recruitment services; recruitment agency services; employment agency services; recruitment of personnel; personnel staff recruitment services; executive recruitment services; advertising services relating to the recruitment of personnel; advisory, consultancy and information services relating to recruitment; assistance relating to recruitment and placement of staff; interviewing services [for personnel recruitment]; provision of information relating to recruitment; provision of temporary and permanent staff; careers advisory and information services; jobs and work placement services; advisory, consultancy and information services relating to the above.*

4. On 10 May 2017, Namib filed an opposition to the trade mark on the basis of section 5(2)(b) of the Trade Marks Act 1994 (the Act). This is on the basis of its application for a UK Trade Mark which has a priority date of 2 December 2016, claimed from Namibian Trade Mark NA/T/2016/1885. The application for the mark below was made on 17 April 2017.

#### HUCKLEBERRY

5. The mark was accepted and published in the Trade Marks Journal on 30 June 2017 in respect of the following services:

##### *Class 35*

*Provision of information and advice to consumers regarding the selection of products and items to be purchased; exhibitions for commercial or advertising purposes; arranging of exhibitions for commercial purposes; demonstration of goods for promotional purposes; publicity and sales promotion services; provision of business and commercial information; business consultancy services; assistance and advice regarding business organisation and management; advertising; advertising particularly services for the promotion of goods; arranging of contracts for the purchase and sale of goods and services, for others; market research and marketing studies; compilation of computer databases; office functions; risk management consultancy [business]; employment agency services; personnel recruitment services; temporary personnel employment services; placement of permanent personnel.*

6. In its opposition, Namib is relying on all the services listed above. It argues that the respective services are identical and that the marks are identical or highly similar, and that there is therefore a likelihood of confusion between the marks.
7. Huckleberry filed a counterstatement denying the claims made.
8. On 26 September 2017, Huckleberry filed an opposition against Namib's application on the basis of section 5(4)(a) of the Act. This is on the basis of its

alleged earlier rights in the mark that was the subject of its application for registration and in the following marks:

HUCKLEBERRY  
HUCKLEBERRY RECRUITMENT

9. Huckleberry claims to have been providing services under this sign since 14 March 2015 and to have acquired goodwill under the sign. Use of the trade mark applied for by Namib would, Huckleberry claims, amount to a misrepresentation to the general public that Namib's services are connected with those of Huckleberry.
10. Namib filed a counterstatement denying the claims made.
11. On 12 February 2018, Namib filed an amendment to its application, deleting the following services from the specification:

*employment agency services; personnel recruitment services; temporary personnel employment services; placement of permanent personnel.*

Huckleberry confirmed to the Registry on 14 February 2018 that it found the amendment unacceptable and was maintaining its opposition. It claimed that the following terms were too broad and could be used for recruitment services:

*provision of business and commercial information; business consultancy services; assistance and advice regarding business organisation and management; advertising particularly services for the promotion of goods; compilation of computer databases; office functions.*

12. Huckleberry filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary.
13. Both sides filed written submissions in lieu of a hearing. These will not be summarised but will be referred to as and where appropriate during this decision.

In its written submissions, Namib stated that it did not feel it necessary to maintain its opposition to Huckleberry's application and withdrew its opposition. I need make no further mention of Namib's opposition to Huckleberry's application, except in consideration of any costs award. For ease of reference, I will refer to Namib as the applicant and Huckleberry as the opponent since the only opposition now under consideration is that filed by Huckleberry. This decision is taken following a careful perusal of the papers.

14. In these proceedings, the applicant is represented by Trademarkers Merkenbureau C.V. and the opponent is represented by Revomark.

### **Relevant date**

15. The opponent is claiming an earlier right in relation to the applicant's mark, as provided for by section 5(4)(a) of the Act. The onus is on the opponent to satisfy the Tribunal that its unregistered sign would have been protectable by virtue of the law of passing off before the relevant date. The applicant has not claimed or filed any evidence that it has been using its mark before the priority date (2 December 2016), so this is the relevant date.

### **Evidence**

16. The opponent's evidence comes from Mr Dominic Warman, director of Huckleberry Recruitment Limited. His witness statement is undated but was received by the Tribunal on 8 February 2018.
17. The opponent is a small recruitment company, specialising in positions in the media, entertainment, retail, sports and technology sectors. It has four members of staff. The firm was set up in 2015 and the name registered at Companies House on 14 March 2015 (Annexure DW1). The domain name [www.huckleberryrecruitment.com](http://www.huckleberryrecruitment.com) was registered on 2 March 2015 to a Chris Knight (Annexure DW1). The firm was launched on 1 May 2015, when its website went live. Undated screenshots of the website are presented in Annexure DW3.

18. The promotional brochure (copyright 2015) supplied in evidence (Annexure DW5) presents the company as a small firm, priding itself on knowledge and understanding of the sectors referred to above and personal relationships with significant industry players. It describes Huckleberry Recruitment as being “not about volume; we’re about doing fewer things really rather well”.
19. The firm has invested money in developing a brand identity. On 4 May 2015, Kräyon, a digital design agency, issued an invoice for £8420.00 for website creation, web hosting, logo design and company branding (Annexure DW2). Other promotional activities included a launch party on 18 June 2015 costing, according to Mr Warman, thousands of pounds (Annexure DW4) and sponsorship of an award at the British Association of Screen Entertainment Awards 2016, costing £10,000. This latter event was attended by around 1000 industry professionals (Annexure DW8).
20. In his witness statement, Mr Warman states that the opponent placed 20 people in permanent roles between launch and December 2016, generating fees of £200,000. Copies of 59 job advertisements, mainly from LinkedIn, have been supplied (Annexure DW10). The majority of these are for senior management positions. These have dates between May 2015 and November 2016 (inclusive). Mr Warman says that 75 positions were advertised and applications received from tens of thousands of candidates. LinkedIn has been the primary method for advertising positions, generating new business and promoting the company.
21. Annexure DW9 is a 2016 business report by LinkedIn. This compares the impact of the opponent’s activities in terms of reach and engagement with that of 5 peers (Aspire, EMR, Handle Recruitment, Searchlight Inc, and Yellow Cat Recruitment).<sup>1</sup> LinkedIn have calculated the percentage of members who, having come across the company (reach), go on to show an interest (engagement). For the opponent, this is 66%, making it second highest among the group of 6.<sup>2</sup> Total engagement figures for the opponent are lower than for the other 5 companies,

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<sup>1</sup> “Reach” covers activities such as viewing employee profiles and connecting with an organisation’s employees. “Engagement” covers activities such as researching the organisation and careers available with it, following the company, and viewing, and applying for, jobs.

<sup>2</sup> Results ranged from 86% to 29%.

but no information is provided about the size of these other companies or the industry sectors served. The final graph shows that the data cover the period from November 2015 to November 2016.

22. Mr Warman has provided a series of testimonials from companies who have used the opponent's services (Annexure DW6). These are Pokémon Company International, Sony Interactive Entertainment Europe Limited, Official Charts Company, Signature Entertainment Ltd, Paramount Home Media Distribution International (a subsidiary of Paramount Pictures), the British Association for Screen Entertainment (BASE), Sony Pictures Entertainment, Lionsgate UK and Nightlife Clubs Ltd. All except the last of these provide details of the numbers of people (ranging from 1 to 14) placed by the opponent within their businesses. The numbers add up to 25, and it is not clear when these people were placed. Some may have been recruited on or after 2 December 2016. The final letter, from a C. W. Knight of Nightlife Clubs Ltd, notes that the opponent supplied 123 candidates to the company between May 2015 and May 2016. It is not stated how many of these were successfully placed.
23. The final annex (Annexure DW12) contains information from Google Analytics. This indicates that activity on the opponent's website has slowed from autumn 2015. However, as noted above, Mr Warman states that LinkedIn is the major platform used by the business.
24. The applicant made observations in response to this evidence on 12 February 2018. In paragraph 5 of these observations, the applicant appears to be making comments on the evidence. However, this paragraph looks to be incomplete. The Tribunal requested that the applicant file an updated set of submissions. None was received.

## **Decision**

25. Section 5(4)(a) of the Act states that:

“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 or 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.”

26. In *Jadebay Limited, Noa and Nani Limited Trading as the Discount Outlet v Clarke-Coles Limited Trading as Feel Good UK* [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the Jif Lemon case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether ‘a *substantial number*’ of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

27. Halsbury’s Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309, 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 more 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.”

## **Goodwill**

28. The concept of goodwill was considered by the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However, widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of attraction sufficient to bring customers home to the source from which it emanates.”

29. A recruitment agency gains its income from employers who are looking to fill either permanent or temporary vacancies. Generally speaking, they receive fees from the employer when a candidate they have proposed is successful. During the relevant period (from launch in May 2015 to the priority date claimed by the applicant of 2 December 2016), the opponent has, according to Mr Warman's witness statement, placed 20 people in permanent roles, generating over £200,000 in fees. The majority of the adverts that the opponent has supplied as evidence are, as I have noted above, for senior management positions. Mr Warman states that 75 positions were advertised between May 2015 and November 2016, generating applications from tens of thousands of candidates.

30. I must now consider whether these figures and the time period are sufficient for me to find that the opponent has established goodwill in the name 'Huckleberry' and whether there has been sufficient time for the goodwill to have been established.

31. In *Hart v Relentless Records* [2002] EWHC 1984 (Ch), Jacob J (as he then was) stated that:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s. 2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s. 1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn LJ in *Bali TM* [1969] RPC 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark has been used ‘but had not acquired any significant reputation; (the trial judge’s finding). Again that shows one is looking for more than a minimal reputation.”

32. This does not mean that a small business is incapable of establishing goodwill. Even though its goodwill may be modest, a business can protect signs which are distinctive of that business under the law of passing off: see *Stacey v 2020 Communications Plc* [1991] FSR 49. It is also the case that a relatively short period of time may be sufficient to build up goodwill, as Buckley J found in *Stannard v Reay* [1967] FSR 140.

33. More recently, in *Lumos Skincare Ltd v Sweet Squared Ltd, Famous Names LLC and Sweet Squared (UK) LLP* [2013] EWCA Civ 590, the Court of Appeal upheld a claim for passing off based on the claimant’s use of the mark “LUMOS” for around three years before the defendant’s use of the same mark, even though sales volumes and turnover were modest. Each case turns on the individual facts found in the evidence.

34. No information has been provided on the size of the recruitment industry within the UK but it does appear to me that the figures supplied in the witness statement are relatively small. That said, the opponent's promotional material, as I have already noted, states that volume is not the company's main indicator of success. Letters from nine companies, including some well-known names in the entertainment and media sectors, indicate a positive reputation, although I note that the business undertaken for these companies may not necessarily all have been carried out before the relevant date (2 December 2016).
35. I recall that the opponent uses the social media platform LinkedIn to conduct its business and promote its activities. The 2016 report referred to in paragraph [21] indicates a conversion rate from Reach to Engagement of 66%, the second highest of the group of companies being analysed. Two-thirds of LinkedIn members who became aware of the opponent took further action, such as following the company or viewing and applying for jobs. Total engagement figures are the lowest of the six companies being compared, but in my view this is not necessarily inconsistent with the size and ethos of the company, or the fact that it is a start-up. I have insufficient information on the other companies to say anything further on that particular point.
36. I recall the case law cited in paragraphs **32 and 33** above, which shows that even modest goodwill can be protected by a passing-off claim. Taking the evidence as a whole, I find that the opponent has shown a more than trivial level of goodwill, which, consequently, is protectable under the law of passing off.

### **Misrepresentation**

37. The relevant test for misrepresentation was set out by Morritt LJ in *Neutrogena Corporation and another v Golden Limited and another* [1996] RPC 473:

"There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 at page 407 the question on the issue of deception or confusion is:

'is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product].

The same proposition is stated in Halsbury's Laws of England 4<sup>th</sup> Edition Vol. 48 para. 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd v June Perfect Ltd* (1941) 58 RPC 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 RPC 97 at page 101."

38. The opponent's customers are the employers in the relevant industry sectors targeted by the opponent: media, entertainment, retail, sports, technology.

39. The opponent has provided no evidence of actual deception. Indeed, I have been presented with no evidence that the applicant is using the mark within the UK. However, as the case law cited above makes clear, this is not decisive. As Mr Daniel Alexander QC, sitting as the Appointed Person, stated in *The Proper Pizza Company Limited v James Michael Alexander Hammond*, BL O-206-15:

"... the evaluation of whether there would be passing off in the context of trade mark registration must consider the notional fair use of the mark applied for."<sup>3</sup>

40. In an opposition on the present grounds, it is not necessary for the services to be similar: see *Harrods Limited v Harrodian School Limited* [1996] RPC 697. In this case, Millett LJ stated that:

"...In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration

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<sup>3</sup> Paragraph 47.

‘...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant’.”

41. In my view, though, the services covered by the applicant’s mark are similar to those supplied by the opponent under its earlier right. Both cover business services, involving advice, information and consultancy. It seems to me that a substantial number of relevant customers who encounter the opponent’s mark would believe that they are being offered services by the opponent, or by a business economically linked to the opponent. This must be a stronger belief than wondering, although Jacob LJ stated in *Phones 4U Ltd v Phone4U.co.uk Internet Ltd* [2007] RPC 5:

“... there will be some mere wonderers and some assumers – there will normally ... be passing off if there is a substantial number of the latter even if there is also a substantial number of the former.”

42. The applicant’s mark (HUCKLEBERRY) is identical visually, aurally and conceptually to one of the earlier rights upon which the opponent is relying. It seems to me likely that a substantial number of the opponent’s customers and potential customers would assume that the opponent is a specialist employment arm of the applicant’s more general business services provider.

43. However, I must consider whether this would be the case across the range of the services specified by the applicant. As Millett LJ stated in *Harrods*:

“What the plaintiff in an action for passing off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.”

44. In my view, the identity and close similarity of the applicant’s mark with the signs that the opponent has been using would lead to confusion in respect of the following services:

*Provision of business and commercial information; business consultancy services; assistance and advice regarding business organisation and management; advertising; advertising particularly services for the promotion of goods; compilation of computer databases; office functions.*

These are all services that could be supplied in relation to recruitment, thus making it likely that there would be a substantial number of customers assuming (rather than merely wondering) that the services of the applicant are provided by the opponent.

45. On balance, I find that there is not likely to be confusion with regard to the other services included in the applicant's specification. The opponent's customer will not, to my mind, assume that a company *providing information and advice to consumers regarding the selection of products and items to be purchased, arranging exhibitions for commercial or advertising purposes, demonstrating goods for promotional purposes or providing publicity and sales promotion services* is the same business as the recruitment company, or economically linked to it. They may wonder about it, but that is not enough.
46. The same applies in the case of *arranging of contracts for the purchase and sale of goods, market research and marketing studies, and risk management consultancy*. These are specialist activities that the customer would not generally associate with a recruitment company with a relatively modest level of goodwill.
47. Consequently, I find that there is misrepresentation in connection with the services identified in paragraph 44.

## **Damage**

48. In *Bocacina Limited v Boca Cafés Limited, Dercio De Souza Junior, Malgorzata De Souza* [2013] EWHC 8090 (IPEC), Mr Daniel Alexander QC, sitting as an Enterprise Judge, noted that:

“There is no dispute that if there is goodwill and misrepresentation, there would be damage.”

49. In *Ewing v Buttercup Margarine Company, Limited*, [1917] 2 Ch. 1 (COA), Warrington LJ stated that:

“To induce the belief that my business is a branch of another man's business may do that other man damage in various ways. The quality of goods I sell, the kind of business I do, the credit or otherwise which I enjoy are all things which may injure the other man who is assumed wrongly to be associated with me.”

50. If the applicant's services are of a low quality, this could negatively impact on the reputation of the opponent and its chances of securing further business. Damage could also arise in the form of trade diverted from the opponent to the applicant. The opposition partially succeeds.

## **Conclusion**

51. The opposition has been partially successful. The application by Namib may proceed to registration in respect of the following services:

*Provision of information and advice to consumers, regarding the selection of products and items to be purchased; Exhibitions for commercial or advertising purposes; Arranging exhibitions for commercial purposes; Demonstration of goods for promotional purposes; Publicity and sales promotion services; Arranging of contracts for the purchase and sale of goods and services, for others; Market research and marketing studies; Risk management consultancy [business].*

52. The opposition filed by Namib has been withdrawn. The trade mark applied for by Huckleberry can proceed to registration in respect of all the services listed in the application.



## **Costs**

53. Both parties have some success in these proceedings. The applicant amended its application to remove some services and the opponent has successfully opposed the application with respect to the services named in paragraph 44. The opponent has had a slightly larger measure of success. In the circumstances, I award the opponent the sum of £350 as a contribution towards its costs. The sum is calculated as follows:

*Official fee for filing the notice of opposition - £200*

*Considering the other party's statement of grounds and preparing a counterstatement - £150*

***Total: £350***

54. I therefore order Namib Brand Investments (Pty) Ltd to pay Huckleberry Recruitment Limited the sum of £350. The above sum should be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 23<sup>rd</sup> day of August 2018**

**Clare Boucher  
For the Registrar,  
The Comptroller-General**