

O-502-15

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK REGISTRATION 3024990
IN THE NAME OF SOHO BREWERY LTD
OF THE FOLLOWING TRADE MARK IN CLASS 32:**



**AND
AN APPLICATION FOR INVALIDATION UNDER NO. 500574
BY
LONDON BREWING COMPANY LIMITED**

BACKGROUND AND PLEADINGS

1. On 5 October 2013 Soho Brewery Ltd (the proprietor) applied for the trade mark shown on the cover page of this decision. It was subsequently registered for:

Class 32

Beers; mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages; shandy, de-alcoholised drinks, non-alcoholic beers and wines.

2. London Brewing Company Limited (the applicant) seeks invalidation of the registration under the provisions of section 47 of the Trade Marks Act 1994 (the Act). It does so on grounds under sections 5(4)(a) and 3(6) of the Act. In summary the grounds are:

- Section 5(4)(a): The Proprietor's use of the mark for beers; shandy; de-alcoholised drinks and non-alcoholic beers amounts to passing off. The registration contains the words 'London Brewing Company' which is identical to the applicant's company and trading name and the unregistered trade mark LONDON BREWING COMPANY, used by the applicant since 2011 in respect of beer, the brewing of beer and brewery services.
- Section 3(6): The registrant is aware of and has at all times (including at the time of their application for TM No. 3024990) been aware of the existence and nature of the applicant's business, the applicant's use of the LONDON BREWING COMPANY name and the applicant's goodwill and reputation. The application for registration was made in bad faith, inter alia, to deprive the current applicant of the right to use and register the mark.

3. The proprietor filed a counterstatement defending its registration and requesting that the applicant provide proof that on 5 October 2013 the applicant had sufficient goodwill in the mark LONDON BREWING COMPANY in respect of 'beers and the brewing of beer and brewery services' on which to base its passing off claim. The proprietor also requests that the applicant prove its claims made under section 3(6) of the Act.

4. Both sides filed evidence. Neither party requested a hearing or filed written submissions in lieu of a hearing.

THE EVIDENCE

Applicant's evidence

Witness statement by Daniel Peter Fox with exhibits DF1-DF7

5. Mr Fox is the Director of London Brewing Company Ltd (the applicant), a position he has held since June 2011. His statement is dated 2 February 2015.

6. The company LONDON BREWING COMPANY LIMITED was incorporated on 7 June 2010. Exhibit DF1 is a copy of the certificate. Mr Fox states that the applicant's

main business operates from The Bull, a public house and micro-brewery in Highgate, London. Trade has been carried out under the name LONDON BREWING COMPANY since the public launch of The Bull, which opened its doors to the public on 18 August 2011. He states that the first use of the name LONDON BREWING COMPANY was in July 2011, when invitations and press releases were issued for the opening night. Exhibit DF2 is an article from the *Hampstead Highgate Express* titled, 'The Highgate pub all set to offer a very special brew'. It is dated 8 August 2011 and reads:

"One of Highgate's oldest pub sites will be opening its doors again as a micro brewery.

The historic Grade II-listed building on North Hill, formerly The Bull, has been operating as a pub for more than 500 years.

The micro-brewery will be run by fledgling pub operator, The London Brewing Company.

Pub manager Dan Fox plans to carry out an extensive refit costing several hundred thousand pounds and the beers will be LBC's own – all brewed on site."

7. Mr Fox states that LONDON BREWING COMPANY has operated through its main website since August 2011 (registered in June 2010). The company also has a *facebook* page and a *twitter* account, both of which were established in 2011. He states that in excess of 2,000 people are signed up to receive the LBC newsletter. Exhibit DF3 comprises prints of 'screen shots of the website and social media feeds for LBC'.

The first two pages of the exhibit appear to be the homepage of a website. The prints are not dated. LONDON BREWING COMPANY is shown in the following form at the top of the page, hereafter, the 'skyline' mark:



8. Links are provided to a drinks menu listing the range of beers available and the opportunity to try samples of beer. There are also links to the company's email address, *facebook* page, *twitter* feed and upcoming events.

9. The next three pages of the exhibit are prints taken from London Brewing Company's *facebook* page. They were printed on 2 February 2015. The description at the top of the page reads:

"Crafting great beers in the Capital since 2011".

10. The posts relate to the beers being brewed on particular days and include photographs of Rye IPA being brewed in Finchley and Stout being brewed at Bohemia. There are also photographs of a new neon sign showing the logo which I have reproduced above at paragraph 7.

11. The next two pages of the exhibit are taken from London Brewing Company on *twitter*. They were printed on 2 February 2015 and show a photograph of eight barrels at the top of the page. Each has LONDON BREWING CO on the top in the following form, hereafter, the word mark:



12. The company description at the top of the page shows the logo I have reproduced at paragraph 7 of this decision above the description:

“London Brewing Co, The brewery behind the beers @ bull_highgate”.

13. The most recent tweet on the page, from the previous day, reads:

“Another brew day at the Bohemia by @London Brewing Co so come on down and watch Rich whilst enjoying your #Sunday roast.”

14. The final two pages of the exhibit are prints from the website of The Bull at Highgate. They were printed on 2 February 2015. The homepage reads as follows:

“Welcome to the Bull, a brewpub in the heart of Highgate.

We are proud to have resurrected this neglected building to create a great public house for the enjoyment of the local community.

Through the experience of owner Dan Fox and his carefully constructed team, we have created a pub where you can meet friends, eat with your family or come for a quiet pint, whilst experiencing uncompromising standards of service, food and drinks.

Also, because we genuinely believe the heart of a great pub is amazing beer, we’ve installed a small microbrewery in the pub. Click here to find out about the London Brewing Company.”

15. To the right of the text is a picture which links to a beer menu and is the same as that shown on the London Brewing Company’s website.

16. The following page of the exhibit is a Valentine's Day Fizz and Food Matching menu. The LONDON BREWING COMPANY word mark is shown, prominently, in the top right corner¹.

17. The menu description reads as follows:

"Each of the courses on our Valentines [sic] menu has been given the perfect match, a drink to accompany and enrich each dish. The four fizz's [sic], from Champagne to 'Champagne' beer have been carefully considered and can be bought by the bottle, or glass, or trust us and choose the entire 'flight of fizz' served alongside each chosen dish."

18. Mr Fox states that The Bull sells over 750 meals per week and over 700 pints of beer branded LONDON BREWING COMPANY. In addition LONDON BREWING COMPANY beers have been or continue to be sold in more than 20 different established public houses. He says:

"We brew a number of regular beers under the LONDON BREWING COMPANY name including, Highrise (3.9% ABV), which is a golden ale; Beer Street (4% ABV), a brown traditional best bitter; Vists (4.4% ABV), a copper coloured beer and Skyline (5% ABV). Up to October 2013 we had brewed over 40 different beers since August 2011. Since then it has been significantly more."

19. With regard to branding, marketing and advertising, Mr Fox states that LONDON BREWING COMPANY branding appears on all marketing, advertising and point of sale merchandising, as well as beer badges (on pumps) and mini kegs. In addition it is also shown on staff uniforms, drinks lists, black boards and menus in The Bull and The Bohemia (which Mr Fox describes as recently acquired) and on a range of merchandise sold to the public through the company's online shop. Merchandise for sale is described as t-shirts, baseball caps and glassware. Exhibit DF4 comprises examples of advertising material.

20. The first page of the exhibit is not dated. It is a photograph of a bar, showing five traditional pull pumps. They each have a beer badge. The names of the first and fifth beers cannot be made out. The second is 'Beer Street', the third is 'Highrise' and the fourth is 'Skyline'. Four of the pumps show the word mark while the central pump badge shows the skyline mark.

21. The second page of the exhibit is an undated photograph of three small kegs of beer on a windowsill. Each has a label across its centre which bears a LONDON BREWING CO word mark. Each beer type is handwritten on the first two labels. They are Skyship and Oyster Stout. The third barrel label states: "Choose from the currently available London Brewing beers, all for £19.50".

22. The third page is an undated photograph of a chalk board. In the centre of the board is a chalk drawn version of the LONDON BREWING CO skyline mark. Around the logo is a step by step description of the brewing process.

¹ The word 'Company' is abbreviated to 'Co' in this case.

23. The final page of the exhibit is a print from www.cafepress.com. It shows three items for sale. The first is a t-shirt, described as, 'LBC White T-Shirt', the second is a white polo shirt, described as, 'LND-LOGO FULL COLOUR Golf Shirt', the third is a white hooded sweatshirt described as 'LND-LOGO FULL COLOUR Jumper Hoody'. The items all have what looks to be the logo I have shown at paragraph 7 above, but the print is of very poor quality. The items are priced at \$20.99, \$22.99 and \$40.99 respectively.

24. Mr Fox states that considerable time, energy and resources have been invested in promoting and marketing LONDON BREWING COMPANY since 2011. Press articles, events around London, beer launches and collaborations with other brewers have increased the profile and reputation of LONDON BREWING COMPANY. Exhibit DF5 comprises examples of marketing activity.

25. The first is a review in TIME OUT dated 5 September 2011. It states:

"...And when you discover the landlord Dan Fox was for years manager of the White Horse at Parson's Green, it becomes clear that this pub holds beer in extremely high esteem.

Five of the pumps dispense the fine products of the LONDON BREWING COMPANY, made on the premises – a zesty raspberry wheat beer, say, or the Beer Street best bitter."

26. The second article is from Metro and is dated 13 December 2011. It is titled, "The Bull Highgate – we're only here for the beer." The main body of the article describes the wide range of beer available and refers to the onsite LONDON BREWING COMPANY micro-brewery.

27. The third article is from the London Drinker and is dated Apr/May 2013. It is titled, "Highgate pub beats hundreds to award". It reads:

"Catherine Tonry, Chairman of CAMRA's North London Branch said, 'The Bull, of course, is the home to the London Brewing Company, and this is the first time we have ever given the award to a brewpub. The fact that it has happened just reflects the growth of interest in brewing in the Capital after many years of decline. We now have over 30 breweries and pub breweries in London from just a handful five years ago.'"

28. The fourth article is from London Beer Quest and is a review of The Bull. It is dated 2 February 2015. The part of the article relating to beers brewed on the premises is obscured by a message about cookies, so cannot be read.

29. The fifth article is from the London Beer Guide and appears to relate to The Wandsworth Common London Beer Festival held in 2013. London Brewing Company is listed as one of the breweries from North London.

30. The remainder of the exhibit comprises pages printed from 'rate beer', clearly an online review site. The four beers reviewed are London Vista, London Highrise, London 90 Shilling and London Golden Mean, all brewed by the applicant. The

reviews date from May 2012 to the present and are provided by customers at The Bull and at beer festivals.

31. With regard to turnover, Mr Fox states:

“Sales have continued to be excellent year on year with turnover from £651,000 in 2012 rising to £850,000 in 2013. Annualised turnover for 2014/15 will be in the region of £2.5m after VAT, a reflection of our continued brand expansion and our business at our new micro brew pub, The Bohemia...building on our current brand.”

32. Mr Fox provides a list of the beer festivals at which LONDON BREWING COMPANY was present in order to raise its profile. They are as follows:

- London's Brewing 2013
- Beer by the River 2013
- St Albans Beer Festival 2012/2013
- Pig's Ear Beer Festival 2013
- Wandsworth London Brewers Beer Festival 2013
- London Brewers Alliance Food Festival 2011, 2012 and 2013
- Spitalfields London Brewers Market 2013
- London's Brewing 2013
- CAMRA's London Drinker 2012 and 2013

33. In addition, Mr Fox states that he (as a representative of London Brewing Company) has judged competitions at the World Beer Cup (the largest beer competition in the world) in 2012 and 2014.

34. He adds that in order to raise their profile in the trade, LONDON BREWING COMPANY is a member of the London Brewing Alliance and has been involved in its festivals for a number of years. He supplies details of membership at exhibit DF6.

35. Both The Bull and LONDON BREWING COMPANY are listed in the CAMRA good beer guide as both a pub and a brewery and received CAMRA's 'Pub of the Season' award in 2013. Exhibit DF7 is a copy of the article referred to above at paragraph 27 regarding the CAMRA award.

36. They also received a nomination for Imbibe Magazine's 'Licensee of the Year' in 2013. Mr Fox describes the magazine as having a circulation of 15,000 drinks buyers and customer influencers. He states that numerous requests have been received from regional wholesalers asking for permission to stock LONDON BREWING COMPANY beers, including Euroboozer, Utobeer, Liberty Beer and a number of exporters.

Proprietor's evidence

Witness statement by Michael Breen

37. Mr Breen is the Director of Soho Brewery Limited, a position he has held since 11 September 2013. His statement is dated 25 March 2015 and reads:

“4...At the time of filing the application for LONDON BREWING COMPANY I was not aware of any person or company using the trading name LONDON BREWING COMPANY.

5. I chose to file a UK trade mark application for the mark LONDON BREWING COMPANY and flag device because it was and is my intention to use the mark in respect of beer and similar drinks. I did not file the application with the intention of preventing Mr Fox or LBC’s commercial activities. I was not aware of their activities in respect of the sign, LONDON BREWING COMPANY that they now claim to have.

6. During the period August 2010 to August 2013 I held the position of Procurement Manager for beer and cider for Mitchells & Butlers PLC.

7. Mitchells & Butlers PLC is the largest managed bar and restaurant operator in the United Kingdom with approximately 2,000 retail businesses across England, Scotland, Wales and Northern Ireland.

8. In my capacity as Procurement Manager for beer and cider for Mitchells & Butlers PLC I carried out a review each year of the cask ale/beer market throughout the United Kingdom. This review encompassed all commercial brewers, with a particular focus on those brewing beer and cask ale in the London Area. At no stage during my research for these reviews was I aware, or made aware of by my work colleagues, of any business trading under the name ‘London Brewing Company’.

9. I did visit the premises known as The Bull at 13 North Hill, London N6 4AB. I do not recall the exact date but it was some months after Mr Fox commenced operations in the premises in 2011.

10. During my visit to The Bull, I was accompanied by Mr Fox on a tour of the premises, which included the kitchen and basement where the micro brewing equipment was situated. The equipment was being used for the brewing of the cask ale and that ale was being retailed within the premises only.

11. There was no signage, or notification, at The Bull that indicated that the cask ale brewed there was being brewed under a separate business, in particular by THE LONDON BREWING COMPANY.

12. At no time before, during or after the visit, up to and including the time that I filed the UK trade mark application for LONDON BREWING COMPANY, did any person make me aware of any intent to use, or use of the trading name or trade mark LONDON BREWING COMPANY. Neither was I aware or made aware that the cask ale brewed at The Bull public house was being made available outside of that public house or being made available on a more commercial scale.

13. *I have worked in the Drinks Retail Industry since June 1996, so for over 18 years. Based on my industry experience the brewing capacity of the equipment at The Bull suggested that commercial brewing was not a viable option.*

14. *To the best of my knowledge and as one of the highest volume buyers of cask ale in the UK from August 2010 to August 2013, whilst I held the Procurement Management role, no beer was sold or advertised under the trading name LONDON BREWING COMPANY.*

15. *Prior to filing my trade mark application I ascertained that the trade mark LONDON BREWING COMPANY had not been applied for or registered with the UK Intellectual Property Office.*

16. *I checked the availability of the domain names londonbrewingcompany.com and londonbrewingcompany.co.uk and secured them both. Nothing in my research lead me to believe the sign or trade mark LONDON BREWING COMPANY was in use by a third party.*

17. *My trade mark application no 3024990 was made in good faith.”*

Applicant’s evidence in reply

Second witness statement by Daniel Peter Fox with exhibits DF1-DF2²

38. In reply to Mr Breen’s statement Mr Fox states:

“6. In reply to paragraph 4 of Mr Breen’s Witness Statement, in my opinion, it is inconceivable that Mr Breen would not have been aware of our use of the brand and trading name LONDON BREWING COMPANY at the time he filed the application for the Trade Mark on 5 October 2015. By this date our LONDON BREWING COMPANY brand was well established, widely known and brewing cask ale beers that were being sold to numerous pubs around the United Kingdom. We have invested significant sums of money, energy, time and resources in promoting and marketing the LONDON BREWING COMPANY brand since 2011 as detailed in my previous witness statement.

7. In making an application for the trade mark No 3024990, I believe that Mr Breen would have been aware of our business and trading activity as THE LONDON BREWING COMPANY. It is his clear intention to use the application against us in order to deny us the opportunity to use a mark which we have been using since 2011. Accordingly, I believe that Mr Breen made application for the trade mark No 3024990 in bad faith.

8. In reply to paragraph 8 of Mr Breen’s Witness Statement, it is my opinion that the LONDON BREWING COMPANY name and evidence of

² For the sake of clarity I will refer to these exhibits DF1 and DF2 in reply, to distinguish from DF1 and DF2 attached to Mr Fox’s evidence in chief.

our use of the name and our brewing activity would have been so easily accessible to Mr Breen when conducting his annual searches and reviews of brewers and beers in the UK that it is inconceivable that he would not have been aware, or made aware of our use of the name. Mr Breen states that he particularly focussed his research 'on those brewing beer and cask ale in the London Area'. Since at least 2011 our website <http://ws.londonbrewing.com> has appeared on the first page of results when conducting a Google search for 'London Brewing', 'London Brewery' and 'London Brewing Company', and on the second page of results when conducting a Google search for 'London beer'. It is inconceivable that in undertaking even a cursory review of London breweries Mr Breen would not have made such searches or become aware of our use of and activity under the LONDON BREWING COMPANY name.

9. In reply to paragraph 10 of Mr Breen's Witness Statement, I do not accept that the cask ale being brewed on premises at The Bull and sold under the LONDON BREWING COMPANY name was only being sold within the premises. The cask ale being brewed at The Bull was being sold both within the premises and to various pubs around London. In any event, the beer brewed at The Bull was being retailed within the premises and being sold under the LONDON BREWING COMPANY name."

39. Mr. Fox provides, at DF1 in reply, two invoices for sales of beer to The White Horse at Parson's Green and an electronic statement which he states shows a list of invoices of sale for beer sold under the LONDON BREWING COMPANY name to various pubs and bars around London and the UK.

40. The invoices are dated 26 June 2012 and 8 August 2013. The first shows sales of two casks of Highrise Pale and two of Skyline APA and totals £318. The second shows sales of six casks of Beer Street and 3 of Zingibier. The invoice totals £788.40.

41. The statement referred to by Mr Fox is very faint and difficult to read. It appears to relate to forty one sales between 5 June 2012 and 17 June 2013 to a number of pubs and bars. These include, inter alia, The Strongroom, The Southampton Arms, The Bree Louise, The Old Fountain, Windsor and Eton Brewery, St Albans Beer Festival, The Cock Tavern, The Old Union Tavern and Walthamstow Sports and Social Club. The amounts shown range from approximately £32 to approximately £447.

42. Mr Fox continues:

"10. In reply to paragraph 11 of Mr Breen's Witness Statement, I accept that I did accompany Mr Breen on a tour of The Bull. Contrary to Mr Breen's statement, there was signage notifying that the cask ale being brewed on premises was being brewed by London Brewing Company. Since our launch in July 2011 we have operated the LONDON BREWING COMPANY business at The Bull and throughout the period during which Mr Breen visited The Bull. In particular, the LONDON BREWING COMPANY name and mark was present on the pump clips, drink lists, T-

shirts, drinks glasses, and blackboards placed around the premises in the pub area and in the brewing area. I cannot believe that Mr Breen would not have seen the LONDON BREWING COMPANY name and mark throughout his tour.”

43. Exhibit DF2 [in reply] comprises two photographs of pump clips which Mr Fox states were used in the Bull at the time of Mr Breen’s visit and bear the LONDON BREWING COMPANY name.

44. The first photograph is a print from the facebook page of The Bull, Highgate. The photograph is titled, ‘On the bar today’ and is dated 24 September 2011. The fifth pump of five shown in the photograph is Beer Street beer which has the London Brewing Company word logo displayed under the name of the beer.

45. The second photograph is taken from the same facebook page and is titled, ‘Today’s beers!’ It is dated 14 November 2011 and shows four beer pumps on a bar. Three of the four have the London Brewing Company word logo displayed below the name of the beer.

46. Mr Fox concludes:

“11. In reply to paragraph 14, London Brewing Company sold its LONDON BREWING COMPANY branded beers to The White Horse at Parson’s Green, owned by Mitchells & Butler during Mr Breen’s time as Procurement Manager there. The invoices marked DF1 [in reply] show sales of the beers Highrise, Skyline, Beer Street, Zingiber [sic] sold under the LONDON BREWING COMPANY name.

12. In my opinion, both Mr Breen’s position as Procurement Manager at Mitchells & Butlers and his visit and tour of The Bull premises would have meant that he was aware of the LONDON BREWING COMPANY brand and trading name and filed the application No 3024990 in bad faith.”

47. That concludes my summary of the evidence to the extent I consider it necessary.

PASSING OFF

The law

48. The application for invalidation of the registration is brought under the provisions of section 47 of the Act, the relevant part of which states:

“47.-(1)

(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 trade mark or other earlier right has consented to the registration.

(3)...

(4)...

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.”

49. Section 5(4) of the Act 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...

(b) ...

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

50. Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It 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."

51. Parker J in *Burberrys v J C Cording & Co Ltd* [1909] 26 RPC 693 said:

"The principles of law applicable to a case of this sort are well known. On the one hand, apart from the law as to trade marks, no one can claim monopoly rights in the use of a word or name. On the other hand, no one is entitled by the use of any word or name, or indeed in any other way, to represent his goods as being the goods of another to that other's injury. If an injunction be granted restraining the use of a word or name, it is no doubt granted to protect property, but the property, to protect which it is granted, is not property in the word or name, but the property in the trade or good-will which will be injured by its use. If the use of a word or a name be restrained, it can only be on the ground that such use involves a misrepresentation, and that such misrepresentation has injured, or is calculated to injure another in his trade or business."

52. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

"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 s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark* [1969] R.P.C. 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 to 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 probabilities that passing off will occur.”

53. Commenting on *South Cone* in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

The relevant date

54. Whether there has been passing off must be judged at a particular point (or points) in time. In the decision of the Court of Appeal in *Roger Maier and Assos of Switzerland SA v ASOS plc and ASOS.com Limited* [2015] EWCA Civ 220 it was stated:

“165. ...Under the English law of passing off, the relevant date for determining whether a claimant has established the necessary reputation or goodwill is the date of the commencement of the conduct complained of (see, for example, *Cadbury- Schweppes Pty Ltd v The Pub Squash Co Ltd* [1981] RPC 429). The jurisprudence of the General Court and that of OHIM is not entirely clear as to how this should be taken into consideration under Article 8(4) (compare, for example, T-114/07 and T-115/07 *Last Minute Network Ltd* and Case R 784/2010-2 *Sun Capital Partners Inc.*). In my judgment the matter should be addressed in the following way. The party opposing the application or the registration must show that, as at the date of application (or the priority date, if earlier), a normal and fair use of the Community trade mark would have amounted to passing off. But if the Community trade mark has in fact been used from an earlier date then that is a matter which must be taken into account, for the opponent must show that he had the necessary goodwill and reputation to render that use actionable on the date that it began.”

55. The above related to a community trade mark, however, the same applies to a UK national trade mark.

56. The filing date of the subject trade mark is 5 October 2013. There is no evidence or claim by the proprietor that it has used its mark prior to this. Accordingly, the matter need only be assessed as of 5 October 2013.

Goodwill

57. The first hurdle for the applicant is to show that it had the required goodwill at the relevant date. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), the Court stated:

“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.”

58. In *Hart v Relentless Records* [2003] FSR 36, 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 L.J. in BALI Trade Mark [1969] R.P.C. 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 had 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.”

59. However, a small business which has more than a trivial goodwill can protect signs which are distinctive of that business under the law of passing off even though its reputation may be small. In *Stacey v 2020 Communications* [1991] FSR 49, Millett J. stated that:

“There is also evidence that Mr. Stacey has an established reputation, although it may be on a small scale, in the name, and that that reputation preceded that of the defendant. There is, therefore, a serious question to be tried, and I have to dispose of this motion on the basis of the balance of convenience.”

60. See also: *Stannard v Reay* [1967] FSR 140 (HC); *Teleworks v Telework Group* [2002] RPC 27 (HC); *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590 (COA)

61. It is clear from the evidence provided by the applicant that since August 2011, when LONDON BREWING COMPANY was launched, the micro brewery has been

producing and selling beer. A small number of invoices have been provided up to the relevant date. All of the articles in evidence refer to both the premises, The Bull in Highgate, and the beers brewed on site by LONDON BREWING COMPANY. There is evidence of LONDON BREWING COMPANY branding on beer pumps from social media pages dated as early as the first few months after launch.

62. I note that in his witness statement, Mr Breen states that he was not aware of any such branding when he toured The Bull in the first few months following its launch. It seems to me that there is no reason that both statements cannot be correct. The tour clearly took place at the start of the business so perhaps the usage at that point was not as developed as it subsequently became, and went unnoticed by Mr Breen.

63. The beers are listed on beer rating websites where they are reviewed by customers of both The Bull and a number of beer festivals. The reviews are dated from May 2012 up to the present and are from customers located in Portsmouth, Edinburgh, Essex, Bristol and Hertfordshire, as well as a number in the US and Sweden and a number in London and the surrounding area. Although there is a clear focus of the business in the vicinity surrounding The Bull, the applicant's goodwill is likely to extend beyond this given the promotion at trade fairs and other events. This is certainly supported by the geographic spread of those commenting on the beers on the beer rating blog I have referred to above.

64. LONDON BREWING COMPANY has also won a CAMRA award which was reported in an article dated April/May 2013.

65. Taking all of the evidence into account, I find that the applicant's goodwill at the relevant date, although modest in terms of volumes of sales, was sufficient to be protected under the law of passing off.

66. The words are used for the most part in a stylised font and often with a figurative element which is a stylised image of part of the London skyline, both of which I have depicted above. There is also some use of the words in plain text in descriptions of the goods, reviews of the brewery and the goods and in promotional material for beer fairs and festivals and the use shown is such that the goodwill is associated with the words, per se.

Misrepresentation

67. In *Neutrogena Corporation and Another v Golden Limited and Another*, [1996] RPC 473, Morritt L.J. stated that:

“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] R.P.C. 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 4th 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 R.P.C. 147 at page 175 ; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101."

68. And later in the same judgment:

"... for my part, I think that references, in this context, to 'more than *de minimis*' and 'above a trivial level' are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion."

69. I have found the applicant to have goodwill in respect of beers and the brewing of beers. The applicant makes its passing off claim in respect of the proprietor's goods 'beers; shandy; de-alcoholised drinks and non-alcoholic beers'. Beers and non-alcoholic beers are identical goods. The proprietor's de-alcoholised drinks include non-alcoholic beer and are also identical. The remaining term, 'shandy' includes an amount of beer with another element, normally lemonade. It is at least highly similar to the applicant's goods.

Despite the fact that goodwill shown in evidence is less than national, this does not prevent the claim succeeding since the registration is a UK registration which, notionally, may be used in the same geographic area.

70. The applicant's goodwill is associated with the sign LONDON BREWING COMPANY. Although it often uses others signs in conjunction with those words, I consider that the manner of overall use means that the goodwill is also associated with the words per se. The proprietor's mark comprises the words London Brewing Company presented on a section of torn material which looks to be part of a Union flag. The addition of a Union flag element in a mark containing the word 'London' is not, in my experience, unusual. However the particular presentation in this case does play a role within the mark and will not go unnoticed. The applied for mark has a reasonable degree of visual similarity with the sign associated with the applicant's goodwill and is aurally and conceptually identical.

71. With regard to the nature of the words LONDON BREWING COMPANY, I bear in mind the comments of Lord Simonds in *Office Cleaning Services Limited v Westminster Window & General Cleaners Limited*³, where he stated that:

³ [1946] 63 RPC 39

“Where a trader adopts words in common use for his trade name, some risk of confusion is inevitable. But that risk must be run unless the first user is allowed unfairly to monopolise the words. The court will accept comparatively small differences as sufficient to avert confusion. A greater degree of discrimination may fairly be expected from the public where a trade name consists wholly or in part of words descriptive of the articles to be sold or the services to be rendered.”

72. And *Phones 4u Ltd v Phone4u.co.uk. Internet Ltd*⁴, in which Jacob L.J. stated that:

“34. The judge also thought the “descriptiveness” of the name affected the question of whether it had a goodwill. But the name is not descriptive in the sense that anyone would describe a business or shop selling mobile phones as a ‘Phones 4u’ business or shop. It is that sort of name which tells you what the business is, but is also obviously intended to be an invented name to denote a particular business. True it is that it is not particularly inventive—‘4u’ was a bit in vogue—the sort of thing others might well want to use. For that reason it would be unlikely to be accepted for registration as a trade mark without some proof of acquired distinctiveness. But distinctiveness for trade mark registration purposes is not the same concept as descriptiveness—it requires more. I think the judge was wrong to say, as he did:

‘The phrase ‘Phones 4u’ is not inherently distinctive. It is a descriptive phrase, although not wholly descriptive in that I accept that it is more likely to acquire distinctiveness through use than a wholly descriptive expression. Nevertheless, there is an onus on the Claimants to satisfy me that it had become distinctive through use.’

This is the language of distinctiveness for trade mark registration, not that for testing whether a goodwill has been established.”

See also: *McCain International Limited v Country Fair Foods Limited and Another* [1981] R.P.C. 69 (COA)

73. Notwithstanding that the words LONDON BREWING COMPANY may be inherently weak, I come to the firm view that the use shown by the applicant is such that the words will be seen as part of its origin in a trade sense. They are distinctive of the applicant. In this case, the words relied on by the applicant and those included in the proprietor’s mark are identical. Even though the proprietor’s mark has the addition of a union flag, I consider that a person who is aware of the applicant’s LONDON BREWING COMPANY brewery and related beers would believe that the proprietor’s goods being sold under the contested mark originated from the same undertaking, that of the applicant. In conclusion, a normal and fair use of the proprietor’s mark at the relevant date would have constituted a misrepresentation to a substantial number of people.

⁴ [2006] EWCA 244 (Civ)

Damage

74. Having found that the goodwill and misrepresentation limbs of the test have been satisfied and that the parties' respective goods are for the most part identical (with shandy being highly similar to the applicant's goods), it follows that damage to the applicant's goodwill will arise by, e.g. a diversion of business.

75. Damage can also be wider than simply a loss of sales. In *Maslyukov v Diageo Distilling Ltd* Arnold J stated:

"85 Secondly, counsel submitted that the hearing officer had wrongly failed to recognise that damage resulting from Diegeo's loss of control over the marks, including erosion of distinctiveness of the marks, was sufficient damage to sustain a passing off action, as shown by the following passage from McAlpine at [20] which the hearing officer himself quoted at para.128 of the decision:

"When it comes to considering damage, the law is not so naïve as to confine the damage to directly provable losses of sales, or 'direct sale for sale substitution'. The law recognises that damage from wrongful association can be wider than that. Thus in *Ewing v Buttercup Margarine Ltd (1917) 34 R.P.C. 232* Warrington L.J. said:

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

In so saying, he was not limiting the kinds of potential damage to those listed by him. Rather, he was indicating that the subtleties of the effect of passing off extend into effects that are more subtle than merely sales lost to a passing off competitor. In *Associated Newspapers Ltd v Express Newspapers* [2003] F.S.R. 909 at 929 Laddie J. cited this passage, referred to other cases and went on to say:

'In all these cases [that is to say, the *Clock Ltd* case referred to above and *Harrods v Harroddian School* [1996] R.P.C. 679], direct sale for sale substitution is unlikely or impossible. Nevertheless the damage to the claimant can be substantial and invidious since the defendant's activities may remove from the claimant his ability to control and develop as he wishes the reputation in his mark. Thus, for a long time, the common law has protected a trader from the risk of false association as it has against the risk of more conventional goods for goods confusion.'

The same judge expressed himself more picturesquely, but equally helpfully, in *Irvine v Talksport Ltd* [2002] 1 W.L.R. 2355 at 2366. Having pointed out the more familiar, and easier, case of a defendant selling

inferior goods in substitution for the claimant's and the consequential damage, he went on to say:

‘But goodwill will be protected even if there is no immediate damage in the above sense. For example, it has long been recognised that a defendant cannot avoid a finding of passing off by showing that his goods or services are of as good or better quality than the claimant's. In such a case, although the defendant may not damage the goodwill as such, what he does is damage the value of the goodwill to the claimant because, instead of benefiting from exclusive rights to his property, the latter now finds that someone else is squatting on it. It is for the owner of goodwill to maintain, raise or lower the quality of his reputation or decide who, if anyone, can use it alongside him. The ability to do that is compromised if another can use the reputation or goodwill without his permission and as he likes. Thus Fortnum and Mason is no more entitled to use the name FW Woolworth than FW Woolworth is entitled to use the name Fortnum and Mason ...’ ‘The law will vindicate the claimant's exclusive right to the reputation or goodwill. It will not allow others so to use goodwill as to reduce, blur or diminish its exclusivity.’ (at 2368)

In *Taittinger SA v Allbev Ltd [1994] 4 All ER 75* at 88, Peter Gibson L.J. acknowledged that:

‘Erosion of the distinctiveness of the name champagne in this country is a form of damage to the goodwill of the business of the champagne houses.’ The same view was expressed by Sir Thomas Bingham MR at 93.”

76. To illustrate the point further, I note that in *WS Foster & Son Limited v Brooks Brothers UK Limited [2013] EWPC 18*, Mr Recorder Iain Purvis QC stated:

“Damage

55 Although proof of damage is an essential requirement of passing off cases, it will generally be presumed where a misrepresentation leading to a likelihood of deception has been established, since such deception will be likely to lead to loss of sales and/or more general damage to the exclusivity of the Claimant's unregistered mark. Mr Aikens accepted that if there was a misrepresentation in the present case, then he had no separate case on damage. I hold that damage is inevitable, at least in the sense recognised in *Sir Robert McAlpine v Alfred McAlpine [2004] RPC 36* at 49 (the ‘blurring, diminishing or erosion’ of the distinctiveness of the mark).”

77. I therefore find that use of the proprietor's mark at the relevant date was liable to be restrained under the law of passing off. **The opposition under section 5(4)(a) therefore succeeds.**

The 3(6) ground

78. Section 3(6) of the Act states:

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

79. In its statement of grounds the applicant states the following with regard to section 3(6) of the Act:

“The registrant is aware of and has at all times been aware (including at the time of their application for TM No. 3024990) of the existence and nature of the applicant’s business, the applicant’s use of the LONDON BREWING COMPANY name and the applicant’s goodwill and reputation. The application for registration was made in bad faith, inter alia, to deprive the current applicant of the right to use and register the mark.”

80. There are two points which can, potentially, be taken from the evidence in relation to this ground. The first is the tour that Mr Breen took at the applicant’s premises in 2011, a few months after the business was launched. However, I have already outlined the reasons I do not find the parties’ respective positions to be mutually exclusive on that point. The second is the fact that the applicant has goodwill in LONDON BREWING COMPANY. However, whilst the applicant has shown the necessary goodwill to succeed in the passing off action, the goodwill is modest and it is not inconceivable that the proprietor did not notice it.

81. Furthermore, the applicant’s claim under this ground appears to be in the form of a fettering argument, i.e. that the proprietor wishes to prevent the applicant from using its mark. There is no explanation pleaded or reason provided as to why this might be the case.

82. Consequently, the application under section 3(6) fails.

COSTS

83. London Brewing Company Ltd has been successful and is entitled to an award of costs. Awards of costs are governed by Annex A of Tribunal Practice Notice 4 of 2007. I have taken into account that no hearing has taken place and award costs on the following basis:

<i>Official Fee -</i>	<i>£200</i>
<i>Preparing statements and considering the other side's statements -</i>	<i>£300</i>
<i>Filing and considering evidence -</i>	<i>£800</i>
Total	£1300

84. I order Soho Brewery Limited to pay London Brewing Company Limited 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 27TH day of October 2015

**Ms AI Skilton
For the Registrar,
The Comptroller-General**