

O-383-12

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2570121
TO REGISTER THE TRADE MARK**

OLD BRISTOLIAN

BY BROADOAK CIDER COMPANY LIMITED

AND

**THE OPPOSITION THERETO
UNDER NO 102277
BY
THE APPLE CIDER COMPANY LIMITED**

Background and pleadings

1. Broadoak Cider Company Limited (“the applicant”) applied to register OLD BRISTOLIAN as a trade mark on 25 January 2011, under number 2570121, in respect of *alcoholic beverages; ciders*, which are in Class 33¹.

2. The application was published in the *Trade Marks Journal* on 1 April 2011. It was opposed by The Apple Cider Company Limited (“the opponent”) who claims that the registration of the application would be contrary to sections 3(6) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”).

3. 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.”

The opponent’s notice of opposition was signed by Mr Edward Gibson. The section 3(6) claim is as follows:

“The applicant knows that the intellectual property is mine and that it was agreed that this brand name would only be used by my company. They have proven themselves conscious of their wrongdoing by admitting this verbally. Also, failure to respond to any of my written communications implies an awareness of guilt on their part.”

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

“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”.

The opponent relies upon the following earlier sign or right:

“OLD BRISTOLIAN cider, sold exclusively at ‘The Apple’ (a cider bar in Bristol), a strong (8.4 vol) but very smooth, high quality, easy drinking still cider”.

It claims that the earlier sign was first used in the UK from August 2006 in promotional material for the launch of ‘The Apple’, then from 22 September 2006 on menus, at tills and on promotional material for ‘The Apple’. It was used in relation to ‘Old Bristolian’ cider and “general promotion and development of goodwill for ‘The Apple’.

5. The opponent’s notice of opposition claims that use of the applicant’s mark would be preventable under the law of passing off because:

¹ Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

“We made a verbal agreement with the applicant in August 2006 that ‘The Apple’ would rebrand ‘Broadoak KB’ as ‘Old Bristolian’ for exclusive sale under this name, created by me, at ‘The Apple’. We built up enormous goodwill around that name and its association with The Apple. Later, we began to have serious problems with the product, alcohol strength varies dangerously, quality, taste and appearance also varied wildly and we had serious concerns for our customers health & goodwill. The applicant failed to resolve these issues so we were forced to go to a different manufacturer. Despite a clear agreement & clear public perception that ‘Old Bristolian’ was The Apple’s own cider exclusive to us, the applicant has continued to sell this dangerously inconsistent product under our brand name.

We are likely to suffer damage by reason of wrongful belief that our ‘Old Bristolian’ is the same as the terrible quality product they are selling under our name.”

6. The applicant filed a counterstatement in which it denies that the mark applied for offends section 3(6) and 5(4)(a). It admits that it is aware of the opponent and has previously supplied its goods to the opponent for sale in the opponent’s establishment, The Apple. In relation to the section 3(6) ground, the applicant denies that OLD BRISTOLIAN belongs to the opponent or its managing director and denies that there is, or was, any agreement that the applicant’s mark would be used exclusively by the opponent, or any verbal admission of such. Further, the nature of the alleged verbal admission is unclear and unspecified. The applicant also denies that there has been any written communication from the opponent which the applicant has ignored. Even if this had been the case, it in no way indicates “an awareness of guilt”. The counterstatement, filed by the applicant’s trade mark attorneys, states that there has been no attempt by the opponent to contact the applicant through its recorded agent and address for service.

7. The applicant states that it is a well established producer of cider and perry, with numerous trade mark registrations. It is diligent in developing and protecting its own brands and the present application is part of its usual process. The applicant strongly denies that the application was made in bad faith.

8. In relation to the section 5(4)(a) ground, it denies, even if the opponent can establish that it has used the sign OLD BRISTOLIAN, that the opponent has built up the requisite protectable goodwill and reputation. The applicant denies that the use of the mark is exclusive to the opponent’s establishment:

“The Applicant’s mark is used in the supply of cider widely and is well recognised as a *Broadoak Cider Company* brand. The mark originated with the Applicant and its goods and thus use of the mark by the Applicant has not and will not amount to a misrepresentation or cause any damage to the Opponent.”

The applicant also states that the opponent “has not at any time prior to this opposition raised concerns with the Applicant in relation to use of the mark OLD BRISTOLIAN”.

9. Both sides filed evidence and submissions. Neither wished to be heard, choosing instead for this decision to be made on the basis of the papers filed.

Evidence

10. The opponent's evidence comes from its managing director, Ed Gibson, supported by witness statements from four individuals: Craig Smith, Stephen Lyle, Neil Watkins and Roger Jones.

Ed Gibson's evidence

11. Ed Gibson is the opponent's managing director. He states that OLD BRISTOLIAN was first used in the UK on 21 September 2006 by the opponent at a private launch party for The Apple, a specialist cider bar in Bristol, which opened to the public on the following day. OLD BRISTOLIAN has been used at The Apple since this date and is "widely known as the name of our own signature strong cider". Mr Gibson came up with the name to rival a similar cider (called Exhibition) sold by a local competitor pub (The Coronation Tap). Mr Gibson states that he first visited Broadoak Bottling "on or before" Thursday 10 August 2006 when he was accompanied by Craig Smith, the prospective general manager of The Apple. Exhibit EG1 contains a diary note "CIDER TASTING", which was an event Mr Gibson staged on that date. The visit to Broadoak was part of a tour of cider farms to collect samples for the cider tasting. The relevance of the name Broadoak, compared to that of the present applicant, is explained at the end of Mr Gibson's statement. Throughout his witness statement, Mr Gibson refers to "Broadoak" and I shall do the same in this summary. The witnesses of the opponent refer to "Brian Blunt" (of the applicant); it is clear from the applicant's evidence, specifically directorship details from the register of companies, that the surname is Brunt. Consequently, where the opponent's evidence refers to Blunt, I have changed it to read Brunt (other than where I quote directly from the witness statements).

12. Mr Gibson states that he and Mr Smith tried various ciders at Broadoak including one called KB, at 8.4% ABV. Mr Gibson told Brian Brunt, of Broadoak, that he liked the cider but not its name and that he would be interested if it could be rebranded with a different name, for the opponent's exclusive use, for sale at The Apple.

"Brian agreed to this. My recollection is that his exact words were 'Yes that's fine, call it what you want'."

13. Exhibit EG2 is a note made by Messrs Gibson and Smith from their visit. The entry for 'Broadoak' is as follows:

"pheasant plucker 6.2% - £7.65 12 x 1litre
KB 8.4% - £20 (£10 deposit) 5 gallon
moonshine – 8.4%"

Mr Gibson points out that the note makes no mention of Old Bristolian.

14. Exhibit EG3 is a handwritten note of the comments made at the cider tasting in relation to the various ciders. There is no mention of Old Bristolian, but there is a listing for KB 8.4%, with a tasting comment of “very pleasant” and a rating of 9 out of a possible 10. The notes were made by Stephen Lyle, Mr Gibson’s business partner. Mr Gibson points out that in the top right hand corner of the sheet, there is a suggestion as to what the opponent should call KB cider. The note says “KB name – Golden Delicious”.

15. Mr Gibson says he came up with the name Old Bristolian “on or before” Monday 28 August 2006, when his diary notes that he called Broadoak to confirm “our agreement to relabel their cider ‘KB’ as ‘Old Bristolian’”. Mr Gibson’s diary page for that day is shown at exhibit EG4 (reproduced later in this decision). It says (amongst other things) “Contact KB – relabel”. Mr Gibson says that he spoke to Mr Brunt and that the latter reiterated that this was acceptable. Mr Gibson states that on, or near to, 28 August 2006, he confirmed the name he had chosen with Mr Smith, and told The Apple’s future investors that Old Bristolian was the brand name he intended to use.

16. Exhibit EG5 is a printout from the Internet of an article in Metro (metro.co.uk) written “around 2 October 2006” (there is no dating in the printout). The article states that The Apple had opened a week and a half earlier and mentions a cider called Old Bristolian on sale at The Apple at that time. Mr Gibson says that he believes this to be the first recorded reference by an independent person (a journalist, in this case) of the name Old Bristolian relating to cider. The article says

“There were a few brave takers for half-pints of Old Bristolian (8.4 per cent)...”.

17. Exhibit EG6 is an excerpt from Observer Food Monthly, a national magazine, from March 2007, which appears to report the results of a readers’ award for the best bar. Amongst the “best of the rest” listings, as a sole entry for the South West, is “Apple Cider Barge”. It says:

“Converted Dutch barge offering 40 ciders and Pieminster pies. The 8 per cent Old Bristolian is only sold in halves, presumably to avoid drunken drownings”.

Mr Gibson does not distinguish the opponent or The Apple from “Apple Cider Barge”. He says Old Bristolian, as The Apple’s signature cider, is synonymous with The Apple. He goes on to say that The Apple is:

“...probably the most prominent cider bar in the world and has been visited by people from all over the globe, extending use and awareness of the Old Bristolian brand name internationally.”

Exhibit EG7 is a photocopy of two fliers from The Apple which can be dated to Autumn 2009, offering Old Bristolian cider at a ‘fresher’s special’ price of 50 pence.

18. Mr Gibson exhibits a collection of invoices² from Broadoak Bottling/The Original Cider Company which show that the opponent was consistently billed, for approximately two years, for KB cider and not Old Bristolian cider. Mr Gibson states that the invoice dated 25 September 2008 and the receipt dated 22 September 2008 are for the same transaction. The receipt says KB and the invoice says Old Bristolian. Mr Gibson states that this is the first mention of Old Bristolian which he can find on an invoice from The Original Cider Company³.

19. Mr Gibson states that, for many months after the opponent had launched and began selling cider under the name Old Bristolian, the opponent would have to refer to the cider as KB when ordering it from Broadoak because if the opponent referred to it as Old Bristolian, none of the employees at Broadoak would know what cider was meant by that name. The barrels arrived labelled with a KB sticker. Mr Gibson says that there was obviously no Old Bristolian sticker because that was the opponent's brand name and so Broadoak did not have Old Bristolian stickers. Mr Gibson says that the labelling caused confusion with his bar staff. He states that the opponent eventually asked Broadoak to provide barrels without the KB labels. After this, the barrels were supplied with hand-written 'post-it' notes which said Old Bristolian. He states this is supported by the witness statement of Neil Watkins, who was employed by the opponent to order and collect cider. Mr Gibson states that he has been told by Mr Watkins that "around this time [it is not clear when this time was] Brian Brunt stated to him that Old Bristolian was a very good name and that maybe he should use it himself sometime." Mr Gibson says that "some time later" the barrels started appearing with a new label saying Old Bristolian. This was pointed out to Mr Gibson as a concern by Mr Watkins because the latter knew that Old Bristolian was the opponent's exclusive brand name. Mr Gibson states that he recalls that this was the first time he began to be concerned that Broadoak was "not sticking to our agreement."

20. Mr Gibson states that the situation was difficult because the opponent could not afford to fall out with its supplier because Old Bristolian had already become very popular with students and locals in the Bristol area and was an integral part of The Apple's identity. He states:

"I telephoned Brian Blunt to discuss this, he admitted that they had started selling cider under the Old Bristolian name, but not to anyone in Bristol. I reiterated the [sic] arrangement that this was The Apple Cider Company's name intended for our exclusive use. He did not dispute that this was our arrangement."

21. Mr Gibson says that "at a similar time", the opponent began to notice extreme variation in the quality, taste, strength and colour of the cider from Broadoak. He says that there were many complaints from customers and this was of concern both from a public safety perspective and because it was having a negative effect on the brand image. Mr Gibson states that he had the alcoholic content measured regularly and there were variations of up to 5%. He states that he discussed these concerns

² EG8

³ Mr Gibson states that The Original Cider Company was Broadoak's trading name at that time.

with Mr Brunt on the telephone. He also experienced problems with the cider not being ready when his staff arrived to collect it.

22. Mr Gibson states that the opponent then (again, there is no dating) received reports of pubs in Bristol selling cider under the Old Bristolian name. This forced the opponent to end its relationship with its supplier. The opponent found another supplier to produce the cider. He sent Mr Brunt a letter by recorded delivery reiterating all the problems, stating that he was ending the relationship and demanding that Broadoak cease using the opponent's trade mark. The letter is exhibited at EG9 and is dated 24 September 2010. Amongst the content is the statement:

"The 'Old Bristolian' brand name was originated by myself and belongs to The Apple Cider Company Ltd. It was clearly stated from the beginning that this product would only be available under this name at The Apple."

Mr Gibson states that no reply to this letter was received.

23. The new supplier, Richs Cider, began manufacturing Old Bristolian for the opponent in late September 2010. Exhibit EG10 is a copy of a document signed by Martin Rich, of Richs Cider, on 29 October 2010 and Mr Gibson, which the latter states he prepared in order to help to protect the opponent from "suffering another instance of IP theft after our experience with Broadoak". The agreement states that the opponent is the owner of the brand name 'Old Bristolian' and that Richs Cider agree that they will not sell any product to any other business or individual (other than the opponent) under the name 'Old Bristolian' or any other abbreviation or variation thereof.

24. Exhibit EG11 is a page of vouchers which Mr Gibson states are from the "Venue Student Guide 2010/2011". The vouchers show the wording "The Apple" and "Discover the legendary Old Bristolian Cider (8.4% VOL!) or shoot a Bristol Pistol for 95p with this voucher". The reverse of the voucher says "The Apple is Bristol's Legendary Cider Boat" and "Old Bristolian" is our infamous 8.4% Cider!" and "The Bristol Pistol is a shooter made with Old Bristolian, Cider Brandy and Cassis". The dating on the voucher says that the offer was valid until 17 October 2011. This is after the date on which the contested trade mark application was made.

25. Mr Gibson states that Broadoak did not cease using the OLD BRISTOLIAN brand name. He states that he telephoned Broadoak's distributor, Lilley's Cider Barn, and informed them that they were selling a product which infringed the opponent's intellectual property. According to Mr Gibson, the owner, Chris Lilley, stated that they had experienced exactly the same problems with Broadoak, who had tried to use Lilley's brands without their permission. However, Lilley's were not prepared to cease selling the Old Bristolian product unless forced to do so by law. After this (again, no dating), Mr Gibson says that Mr Lyle noticed the present trade mark application had been filed (so this is on or after the date of application, 25 January 2011). Mr Gibson states that he has "since been informed", which implies after the date of application, by senior figures at local brewery Bath Ales that they have experienced a very similar situation with Broadoak which leads Mr Gibson to believe that the latter are "serial offenders in trademark infringement. I also feel that

the huge and unsafe variation in quality and strength of their product poses serious danger to the public and also to the image of our well respected brands, Old Bristolian and The Apple.”

26. Mr Gibson states that the applicant, Broadoak Cider Company Ltd, did not exist at the time when the opponent began using Old Bristolian. He says that the original arrangement was made with Broadoak Bottling who went out of business in 2007. He says that as the applicant did not even exist at the time of the agreement, it could not have “originated the name”.

Craig Smith's evidence

27. Craig Smith is a mechanical engineer at Pieminster Limited. He states that he worked on the original research and development for the launch of the bar The Apple during August and September 2006. He visited several suppliers including Broadoak Bottling with Ed Gibson in August 2006 in order to find a supplier of strong cider to rebrand for exclusive sale at The Apple, similar to the Exhibition at The Coronation Tap. Mr Smith states that he and Mr Gibson sampled several ciders at Broadoak, including an 8.4% cider called KB. Mr Smith states:

“I remember this vividly because Brian Blunt told us that ‘up north ladies like to put a bit of gin in it’ which we found very strange.

At that time we thought it would be a good cider for us so Ed asked Brian if it would be ok to rebrand it for exclusive sale at The Apple. Brian was very happy for us to change the name for our own use, he just seemed happy to be selling the cider.

We sampled it with people at a cider tasting and everybody liked it, so we decided to go with it.

I specifically remember Ed telling me that the name he had decided to rebrand Brian Blunt's cider as because I remember really not liking the name he had chosen. The name was ‘Old Bristolian’.

Without a doubt I can tell you that the brand Old Bristolian was created by Ed Gibson”.

Stephen Lyle's evidence

28. Stephen Lyle is assistant producer at BBC Earth Films. He states that he has been a shareholder in the opponent since its formation. He was told by Mr Gibson in their original discussions about investing in The Apple that Mr Gibson was hoping to find a strong cider which he could rebrand for exclusive sale at The Apple. Mr Lyle states that he attended a cider tasting, in August 2006, staged by Mr Gibson. Mr Lyle confirms that the feedback sheet in Mr Gibson's evidence (exhibit EG3) is his feedback sheet from the night. Mr Lyle states that he tried a cider called KB at the tasting which Mr Gibson had said he had been given permission to rebrand for exclusive sale at The Apple if they so wished. Mr Lyle says that a potential name was suggested for it that night which he noted on his sheet: “KB - Golden Delicious”.

Mr Lyle says that, in the days leading up to the opening of the bar, Mr Gibson told him that he had come up with the name Old Bristolian with which to rebrand the KB cider. He says that he has been kept updated by Mr Gibson about the problems with Broadoak throughout the period that The Apple has been open. He says that he was made aware that Broadoak had begun to sell KB under “our name Old Bristolian approximately 2 years ago” (Mr Lyle’s witness statement is dated 21 December 2011).

Neil Watkins’ evidence

29. Neil Watkins is the owner and signwriter at Word Up Signs, in Bristol. He states that he worked for The Apple, ordering and collecting cider from producers around the South West, from when it opened in 2006 until several years later. He also did signwriting and T-shirt printing for The Apple. Mr Watkins states:

“Before I did the first ‘cider run’ in September 2006, Ed Gibson told me that The Apple had made an agreement with Brian Blunt of Broadoak Bottling to rebrand Broadoak’s KB cider as Old Bristolian, for sale exclusively at The Apple. It was made clear to me that the name had been thought up by Ed.”

30. Mr Watkins states that he was at the launch party for The Apple on 21 September 2006 and the cider, which was referred to as KB cider by Broadoak Bottling, was on sale as Old Bristolian. Mr Watkins says that he collected the barrels of KB and wrote the blackboard signs listing the ciders on sale. He says it was therefore he who made the first physical representation of the trade mark Old Bristolian. Mr Watkins exhibits, at NW1, an Internet print showing what Mr Watkins states to be that first board. It is a photograph of a blackboard listing ciders, with Old Bristolian at the top, under the heading The Apple, within an article called “Cider Pub guide to Bristol”. The print is dated 22 December 2011, but it is clear from the dating within the review of The Apple that it is a historical document because it refers to The Apple as having opened in September 2006 and that there will be “possible lunchtime opening from mid-May 2007.” The review says that The Apple is an “outstanding new cider bar” and refers to the Old Bristolian draught cider being sold only in half-pint measures. Mr Watkins states that Mr Gibson asked him to put Old Bristolian as the first item on the blackboard as it was The Apple’s own exclusive cider brand.

31. Mr Watkins states:

“For a long time after I started, I would always forget to ask for KB when doing the orders and would use the term Old Bristolian instead. The people at Broadoak Bottling taking the orders never knew what I meant and would eventually say ‘oh, you mean KB.’”

The invoices/receipts that I collected with the cider always said KB on them and the barrels were labelled with a KB sticker. The sticker caused problems because it confused the bar staff at The Apple, so I eventually asked Broadoak to stop putting the KB labels on the barrels. After then, the barrels would just have white bits of paper stuck to them with Old Bristolian handwritten on them.

I specifically remember a conversation I had with Brian Blunt a while after The Apple opened. He said that Old Bristolian was a really good name and maybe he would use it himself sometime. We laughed because we were both fully aware that the name belonged to The Apple and that would be an inappropriate thing for him to do.”

32. Mr Watkins refers to noticing later that the barrels, when he went to collect them, had printed Old Bristolian labels on them. He says he pointed this out to Mr Gibson and they discussed the possibility that Mr Brunt might be planning to sell the KB cider to other people under the name Old Bristolian, in contravention of Mr Gibson’s clear agreement with him. Mr Watkins refers to the many problems with the quality of KB cider over the years and the reliability of the service from Broadoak. Mr Watkins gives similar details about the variations in alcoholic content as in Mr Gibson’s evidence.

Roger Jones’ evidence

33. Roger Jones is the managing director of Bath Ales. He states:

1. The Trade Mark Bath Ciders was registered with the patent Office in July 2008 (Exhibit 1).
2. The Trade Mark was created to promote a brand of Cider called Bounders - this was duly registered in April 2009 (Exhibit 2).
3. The brand Bounders was produced by Broadoak Cider for Bath Ales and marketed and delivered to The Bath Ales customers.
4. After a year or so Bath Ales had become a little concerned with the consistency of the product and with the continuity of production. Certain batches in both Keg and Bottle we noticed as did some customers, were over gassed and too sweet. Also the colour spectrum was very broad. We looked around for another supplier and now use Sheppy’s Cider of Taunton to produce Bounders.
5. Following our withdrawal from Broadoak we were made aware by some of our trade customers that Broadoak were targeting our customers and trying to supply Broadoak cider. That in itself is not a problem as usually best price and services as well as a decent product would prevail. However we were made aware that Broadoak were keen to supply their product and allow customers to continue calling and serving the product as Bounders. Clearly this was not their product and unacceptable to Bath Ales.
6. Consequently we made a number of calls to Broadoak and we respectfully asked them to desist from this erroneous selling and marketing ploy. They duly did and we are not aware of any other infringement.”

34. The applicant’s evidence comes from Laura West, who is a trade mark assistant at Marks and Clerk LLP, the applicant’s trade mark attorneys. Her witness statement

is a mixture of evidence, submissions and a critique of the opponent's evidence. I give below a summary of the evidential points. Rather than summarising Ms West's submissions and criticisms of the opponent's evidence, I will refer to them, where necessary, elsewhere in this decision. Ms West states that the facts and submissions contained within her witness statement have either been provided by the applicant, or have been revealed during research, or are within her own knowledge and/or within the records of her firm.

35. Ms West begins her statement by pointing out the correct spelling of Brian Brunt's surname and also that the opponent refers to having sent correspondence to Mr Brunt to which it received no reply. Ms West gives evidence that the opponent sent its correspondence to the wrong address and that this could account for the lack of response to the opponent's letters (it will be remembered that part of the section 3(6) pleading reads "...failure to respond to any of my written communications implies an awareness of guilt on their part.").

36. Ms West states that OLD BRISTOLIAN has been used honestly by the applicant "for several years" and that it is associated with cider produced by the applicant, "i.e. Broadoak". She states that whilst the applicant was not incorporated in 2006, it was operating under a different name, Broadoak Bottling Company Limited, incorporated in 1994. The applicant also operated under the name The Original Cider Company Limited, incorporated in 2002. Exhibit LW1 shows that the companies are in common ownership (and shows the name of Brian Brunt, not Blunt, as a director).

37. Ms West states that KB and OLD BRISTOLIAN are two different ciders, sold by the applicant and its predecessors alongside one another, as shown in exhibit LW2. This exhibit is an undated screenshot from Lilley's website, showing a composite word and device OLD BRISTOLIAN mark and a composite word and device KB trade mark, alongside other cider trade marks for sale (with pricing per litre). Exhibit LW4 shows the OLD BRISTOLIAN composite mark on Lilley's website under the heading "Original Cider Company". Ms West states that this is Lilley's previous website and so the evidence runs contrary to the opponent's claim that The Original Cider Company did not invent the name. There is no dating on the screen shot in LW4 and as the company name details for the Original Cider Company Limited (exhibit LW1) show that this company is active. The dating provenance of the website screen could therefore be anything from the date of incorporation (4 September 2002) to the date of the print (unknown).

38. In relation to Mr Gibson's evidence regarding the agreement to re-brand KB, in 2006, Ms West says:

"...it is suggested that this agreement was made via telephone in 2006 and yet no evidence, such as phone records or indeed any form of agreement is submitted to prove that this was the case. The Applicant denies that this phone call ever took place.

39. Ms West states that the applicant refutes that conversations were had with Mr Brunt purporting to an agreement of exclusive use or that Mr Brunt stated that he may use the name himself in the future.

40. Ms West refutes the opponent's evidence regarding the quality variations of the cider produced by the applicant (and its predecessors) and exhibits (LW5) a print, which is the same as Mr Watkins' exhibit NW1 showing the blackboard, only this time it appears on a website called ukcider.co.uk/wiki. The other difference is that, in addition to the same details about The Apple bar having opened in September 2006 and possibly opening at lunchtime from 2007, Ms West has exhibited a separate page, which appears to also have come from the same website because it says UKcider in the margin. It has the appearance of a wiki entry:

"Old Bristolian

Old Bristolian is a brand of *real* cider which is produced by Broadoak Cider Co. of Clutton, Somerset.

About

Broadoak's Old Bristolian is described as a "Strong, Real Cider" with a warm and complex character and is either 7.5% or 8.4% abv. It pours a clear yellow/orange colour and is medium/sweet in taste with a refreshing dry finish".

41. Exhibit LW5 also contains a print from "The Cider Blog, dated 12 April 2011, where the reviewer lists Old Bristolian as produced by Broadoak and says of it:

"There are 2 ciders that drew me into cider back in the early 2000s. The first was Weston's Old Rosie and the second was this cider."

42. Ms West states the following:

"28. "Marks & Clerk LLP have represented the Applicant and its predecessor for many years and can thereby certify that they have always sought to conduct availability searches prior to adoption and to seek registered protection of their brands."

Decision

Section 3(6)

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

"130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C-

529/07 *Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134. Fourthly, bad faith includes not only dishonesty, but also "some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined": see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade*

Mark (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

"41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48)."

44. I remind myself that the opponent's pleading under this ground is:

"The applicant knows that the intellectual property is mine and that it was agreed that this brand name would only be used by my company. They have proven themselves conscious of their wrongdoing by admitting this verbally. Also, failure to respond to any of my written communications implies an awareness of guilt on their part."

The applicant denies, in its counterstatement, that there is, or was, any agreement that OLD BRISTOLIAN would be used exclusively by the opponent. It denies that there was any verbal admission of such an agreement. The applicant's denial of the validity of the ground under section 5(4)(a) of the Act includes the statement "[t]he mark originated with the Applicant and its goods". Mr Gibson states, in relation to the verbal agreement:

"Brian agreed to this. My recollection is that his exact words were 'Yes that's fine, call it what you want'".

45. Ms West's statement that the applicant denies that conversations were had with Mr Brunt purporting to an agreement of exclusive use, or that Mr Brunt stated that he may use the name himself in the future, is hearsay evidence because Mr Brunt has not, himself, given this as evidence. Hearsay evidence is admissible under rule 64(1)(b) of the Trade Mark Rules 2008, but its weight has to be assessed according to the various factors set out in section 4 of the Civil Evidence Act 1995:

"4.— Considerations relevant to weighing of hearsay evidence.

(1) In estimating the weight (if any) to be given to hearsay evidence in civil proceedings the court shall have regard to any circumstances from which any inference can reasonably be drawn as to the reliability or otherwise of the evidence.

(2) Regard may be had, in particular, to the following—

- (a) whether it would have been reasonable and practicable for the party by whom the evidence was adduced to have produced the maker of the original statement as a witness;
- (b) whether the original statement was made contemporaneously with the occurrence or existence of the matters stated;
- (c) whether the evidence involves multiple hearsay;
- (d) whether any person involved had any motive to conceal or misrepresent matters;
- (e) whether the original statement was an edited account, or was made in collaboration with another or for a particular purpose;
- (f) whether the circumstances in which the evidence is adduced as hearsay are such as to suggest an attempt to prevent proper evaluation of its weight."

46. When facing an allegation of bad faith in which a witness (on the side making the allegation) makes a clear statement that something key to the issue was said, it is unsatisfactory that the other of the two people involved in the alleged conversation has denied the allegation through his trade mark attorney, rather than in a witness statement of his own. Mr Brunt has not provided a witness statement either denying the claims made by Mr Gibson in his evidence or offering an alternative version of events. He cannot therefore be cross-examined as to the veracity, or otherwise, of his denial. This is a factor to be borne in mind when assessing the weight of the applicant's evidence. It raises questions under points (a), (d) and (f) of section 4(2) of the Civil Evidence Act 1995, as set out above. It clearly would have been reasonable and practicable to have produced Mr Brunt as a witness (point a). He has not been produced as a witness. This gives rise to doubt as to whether there was a motive to conceal or misrepresent matters (point d) and/or whether his denial via Ms West's hearsay evidence was to avoid appearing as a witness in order to

prevent proper evaluation of his denial (point f). The filing of a hearsay statement inherently comes with the risk that the tribunal may assess its weight at a lower level than that which the party considers it should carry.

47. On the other side of the coin, the applicant contends that I should have no regard for parts of the opponent's evidence, for example that the copies of Mr Gibson's diary entries cannot be verified as to their legitimacy and should not therefore be admitted as evidence, and Mr Lyle's feedback sheet cannot be verified as to its legitimacy as it could have been produced at any stage and copied for the purposes of this case. Ms West submits:

"11. When assessment of evidence is necessary in determining genuine prior use of a mark, regard should be had to the credibility of account, the author of that statement, the circumstances in which it was formed and the person to whom it was addressed. The claims of the Opponent that OLD BRISTOLIAN was devised by him, to be used on Broadoak's KB cider exclusively, are, in the absence of abovementioned EG1, EG2, EG3 and EG4 which cannot be verified as legitimate, only supported by further affidavits. The affidavits produced are by a business partner and a similarly associated business colleague for the purposes of this Opposition and therefore do not provide the necessary objectivity required to support such claims in the absence of any additional supporting evidence."

48. Ms West calls into question the objectivity and the truthfulness of the opponent's witnesses, all of whom have provided witness statements, and all of which are individual in their content and style. The applicant could have tested the witnesses by asking to cross-examine them on their evidence. Instead, it opted for a decision from the papers. Mr Gibson, who wrote the opponent's submissions in lieu of a hearing, said that he was happy to provide the original diaries for analysis and that Mr Watkins would "most likely be available for cross-examination". No request that the diaries be provided was made by the applicant, nor for cross-examination. Shown below are the diary extracts in exhibits EG1 (showing "cider tasting" as the penultimate entry) and EG4 (showing "Contact KB – relabel" as the third entry): This is the diary of a busy person about to open a business who has to remind himself, amongst other things, to put on the washing and have a shave. The exhibits *could* have been fabricated after the event, but that seems unlikely, not least because spaces would have had to exist between other entries for the insertion of fabricated entries. If they were fabricated, they are likely to have been more specific about OLD BRISTOLIAN in order to boost the opponent's case; and if these diary pages were not contemporaneous, a blank 2006 diary would need to have been found in 2011 in order to create (imaginatively) busy diary pages. As to Mr Lyle's feedback sheet from the cider tasting, again he filed a witness statement. His feedback sheet does not refer to Old Bristolian. The sheet refers to "KB name - Golden Delicious", not a name which appears anywhere else in the evidence. If the sheet, or the reference to KB's name was fabricated, one would expect that it would refer to Old Bristolian which would be far more useful to the opponent's case. It therefore appears unlikely to be a fabrication.

September							October							November						
Week	M	T	W	T	F	S	Week	M	T	W	T	F	S	Week	M	T	W	T	F	S
28					1	2	29	2	3	4	5	6	7	30	1	2	3	4	5	6
29	4	5	6	7	8	9	31	8	9	10	11	12	13	31	7	8	9	10	11	12
30	10	11	12	13	14	15	1	14	15	16	17	18	19	2	13	14	15	16	17	18
31	16	17	18	19	20	21	2	21	22	23	24	25	26	3	20	21	22	23	24	25
	22	23	24	25	26	27	3	28	29	30				4	27	28	29	30		
	29	30					4							5						

August 2006
Week 32

EG 1

Thursday 10
(222-149)

Meet Amy Thatchers - 0766 258857

Ver DPS form - #23

0800 hrs
0830 IX Wash on Show Head
0900 Email Liz - conditions on premises licence
0930 Call Heather, Kipperbergs, Thatchers, Lidewicks
1000 Tex Faders
1030 Call Justin - Group price Smarsheds, Tonight, Issues
1100 Hair cut Wash
1130 Clean out fridge & check spec dates
1200 Meet Thatchers Lic!
1230 Do Sheet - had long, notes, Name/Number, Act/S, Discontinue
1300 Buy Barry Get Ice, Marker Pen - name on paper glasses
1330 tidy bent room, bathroom, my room
1400
1430
1500 Then Variator
1530
1600 Dunkertons - Vintage Boots 0118 9761999
Vincelamas 0113 2440002
1630
1700
1730 CIDER TASTING - Intro wine, INTERESTING, HOW
1800 WILL MENTION STRONGER
1830 APPLE JUICE, LA, SMALL IDEAS, NATURALLY SPARKLING,
1900 CARBONATED
1930 MARKET
Evening Preparations

September							October							November						
Week	M	T	W	T	F	S	Week	M	T	W	T	F	S	Week	M	T	W	T	F	S
32					1	2	30	2	3	4	5	6	7	34	1	2	3	4	5	6
33	4	5	6	7	8	9	31	8	9	10	11	12	13	35	7	8	9	10	11	12
34	10	11	12	13	14	15	1	14	15	16	17	18	19	36	13	14	15	16	17	18
35	16	17	18	19	20	21	2	21	22	23	24	25	26	37	20	21	22	23	24	25
36	22	23	24	25	26	27	3	28	29	30				38	27	28	29	30		
37	29	30					4							39						

August 2006
Week 35

EG 4

Monday 28
(240-125)
Bank Holiday (UK)

VAT reg. Station

CC payments set up

0800 hrs
0830 Contact KB - relabel

0900
0930 Devise Specials

1000
1030 Personal licence

1100
1130 Must see old special house certificate

1200
1230 Manucubes - size, cost, refilling. VICO

1300
1330 *GET MONEY!

1400
1430 *Deadline for flyer printing?

1500
1530 500m deep, 1200 (top) high, 500 yds

1600
1630 20cm long 20cm wide 96cm high

1700
1730 10-49 £14.28 1.9 Vico

1800
1830 1 1 1190s £4.18 26.50 for 6

Evening Preparations

49. The nature of the conflicting evidence from either side means that, setting it in a generous light, Messrs Gibson and/or Brunt have an erroneous recollection of what was said, or not said, about rebranding KB cider in the late summer of 2006. However, the applicant did not apply for the reliability of Mr Gibson's memory (nor the other witnesses' evidence) to be tested by cross-examination. The opponent could not ask for Mr Brunt's memory to be tested because he did not put his version of events in a witness statement. There would have been little point in putting Ms West on the witness stand to ask her what the two men said, or did not say, to one another six years ago. Keeping these observations in mind, I also bear in mind that the fact that the applicant did not apply to cross-examine the opponent's witnesses does not, of itself, mean that the opponent's evidence is sufficient to prove its case. It still needs to be assessed and weighed against the grounds pleaded.

50. Mr Geoffrey Hobbs QC, sitting as the Appointed Person said, in *Club Sail*, BL O/074/10⁴:

"Thirdly, when assessing the evidence in the witness statements it is appropriate to do so from the perspective identified by Lord Bingham of Cornhill in Fairchild v. Glenhaven Funeral Services Ltd [2002] UKHL 22; [2003] 1 AC 32 (HL) at paragraph [13]:

...And I think it is salutary to bear in mind Lord Mansfield's aphorism in *Blatch v. Archer* (1774) 1 Cowp 63 at 65, 98 ER 969 at 970 quoted with approval by the Supreme Court of Canada in *Snell v. Farrell*:

'It is certainly a maxim that all evidence is to be weighed according to the proof which it was in the power of one side to have produced, and in the power of the other to have contradicted'."

Mr Gibson, on filing the opponent's evidence (i.e. prior to the applicant filing its evidence) sent a covering letter in which he challenged the applicant to support its counterstatement, specifically that it 'originated the name', by filing:

- A copy invoice and supporting payment records proving that the applicant first sold a product under the Old Bristolian name before September 2006. Mr Gibson says that it was 2 years after the opponent started using the name that the applicant first began invoicing the opponent under the name.
- A record dated before September 2006 of the first artwork submission to printers for Old Bristolian. Mr Gibson asks to see label or an answer as to why it was "years" after supposedly starting to use the name that the applicant had labels printed for it.
- Copies of sales ledgers, invoices and promotional material from before September 2006 showing that Old Bristolian was offered by them previous to Monday 28 August [2006], the date on which Mr Gibson says that he telephoned Mr Brunt and told him this was the name which the opponent would be using.

⁴ BL-prefixed decisions are published on the Intellectual Property Office's website.

- An answer as to why the trade mark was not registered earlier because the applicant's attorney states that the applicant is "diligent in developing and protecting its own brands" and "the present applicant is part of its usual process". Mr Gibson says that an applicant correctly characterised in this way would not have waited five years to protect a brand of which it was the genuine owner (in contrast, Mr Gibson says that "we [i.e. he] are not experienced in these matters").
- A credible reason as to why Mr Gibson's letters were not answered.
- A witness statement from Lilley's Cider Barn denying that they have had similar problems with Broadoak trying to use Lilley's brands without their permission.
- A credible witness statement from the person who supposedly created the Old Bristolian name for the applicant, backed up by supporting witness statements.
- An answer as to why no-one in the applicant's employment had heard of Old Bristolian whenever the opponent's staff called to order it.
- An answer as to why the applicant constantly billed the opponent for the product as KB if, in fact, the applicant was selling it to the opponent as Old Bristolian.
- A credible, detailed alternative version of the events of August 2006 which were outlined in Mr Gibson's witness statement and exhibits and in the witness statement of Craig Smith.

51. Ms West has answered the point about the letters going unanswered (she says that the address was wrong). The applicant did not answer the other challenges made by Mr Gibson when it filed its evidence. It criticised the probity of the opponent's evidence, but put in very little in the way of factual evidence of its own. I bear in mind that the onus is on the opponent to prove its case, rather than the applicant to prove good faith. However, the applicant has been silent on points which, if it was the originator of the name Old Bristolian, it ought to have been in its power, relatively easily, to have shown. There are no exhibits which show, or which one might properly infer, show the creation of the name by the applicant or its predecessors. There are no invoices or other sales records which directly oppose Mr Gibson's evidence that he created the name in August/September 2006. Ms West points out that none of the sticky notes which the opponent refers to as being stuck on the barrels have been provided in evidence. It would be highly surprising if such notes had been kept. It is also unreasonable to expect Mr Gibson to produce a telephone record of his conversations with Mr Brunt; it must be rare, in small businesses such as the opponent's, to record telephone conversations (unless there is already a dispute afoot), let alone to keep the recording for five years. It would have been reasonable for Mr Brunt to have made a statement refuting the claim and putting forward an alternative version of events. Mr Gibson has filed copies of handwritten receipts and printed invoices from the applicant (or its predecessors) which

referred to KB until at least 2008. The applicant does not deny that these came from it or its predecessor. It has produced no receipts to counter the opponent's allegation that the reason the applicant wrote KB is that this is the name by which the applicant sold the cider. The applicant has produced no contemporaneous sales material to show its alleged use of Old Bristolian "for several years" prior to the application date. The evidence from cider blogs and beer/cider festivals is from 2011, or is undated. The only one that casts light backwards is the entry which says that two ciders drew the writer 'back into cider' in the early 2000s, the first being Weston's Old Rosie, and the second being Old Bristolian. This blog entry, without other corroboration, does not carry a great deal of weight and, furthermore, is curious because it refers to the early 2000s. I do not understand the applicant to be claiming creation of the mark that far back.

52. Mr Gibson has filed a copy of a receipt and an invoice from (respectively) 22 and 28 September 2008 to the opponent from the applicant. He states that they refer to the same transaction. The receipt refers to KB and the invoice to Old Bristolian. If they are one and the same transaction, which has not been disputed by the applicant, then there were not, at this date, two separate ciders called KB and Old Bristolian. They were the same product, going by two different names. Mr Gibson's explanation is that KB was the name by which the applicant sold the product to the opponent and that the opponent changed the name once inside The Apple. This is corroborated by the earlier invoices and receipts which all refer to KB and Mr Watkins' evidence, whereby he had problems getting staff at the applicant's business to understand what he was talking about when he rang to order barrels of Old Bristolian. They recognised the product only as KB.

53. With regard to the evidence from Roger Jones, of Bath Ales, this is insufficient to demonstrate a pattern of behaviour, as alleged by the opponent, of the appropriation by the applicant of customers' trade marks. Mr Gibson submits that Mr Jones' witness statement uses delicate phrasing but clearly shows that it took numerous calls before the applicant would cease using its trade mark Bounder. Perhaps an explanation as to why it did cease this alleged activity might be that Bath Ales had registered its trade mark. However, this is speculation. The evidence from Mr Jones, of itself, does not, in the absence of similar evidence from Chris Lilley or anyone else (the opponent says that Lilley's Cider Barn experienced similar behaviour), indicate the pattern of behaviour alleged by the opponent.

54. However, the applicant itself does refer to having a pattern of behaviour with regard to protection of its trade marks. In its counterstatement, it describes itself as holding numerous trade mark registrations (there is a table of its trade mark registrations exhibited to Ms West's statement). It refers to its diligence in developing and protecting its own brands and that the instant application is part of its "usual process". Ms West states that her firm, Marks and Clerk LLP, has "represented the applicant and its predecessor for many years and can thereby certify that they [the applicant] has always sought to conduct availability searches prior to adoption and seek registered protection of their brands". As Mr Gibson points out in the opponent's written submissions, if the applicant characterises itself as diligent in developing and protecting its own brands, it seems out of character to wait until 2011 to apply to register the trade mark. According to Ms West's statement, the applicant has been using the mark "for several years". Mr Gibson's

evidence shows that Old Bristolian appears in the press (in connection with The Apple) in 2006. Ms West's evidence also shows that Old Bristolian was reported as being sold in The Apple in 2006. Both parties' evidence shows that the mark existed in 2006. The applicant's evidence shows that it registers its trade marks and that it considers itself to be diligent in developing and protecting its brands. However, it does not seem to be diligent to wait until 2011 to register the trade mark, if it did belong to the applicant, particularly considering the breakdown in business relations. What appears more probable is that, following the breakdown in business relations, the applicant decided to carry on producing cider which had been successfully sold as Old Bristolian by the opponent, and to sell it elsewhere under that name, since the opponent was no longer a customer.

55. The applicant has been completely silent with regard to its own version of events in the years leading up to its application, particularly the events of late summer 2006. Where it makes a positive statement of its behaviour, it is in relation to its "usual process" of registering its trade marks. It is therefore no stranger to the benefits of trade mark registration. The applicant understands the power of registered trade mark rights and the economic impact they can have upon the activities of others because it routinely registers its trade marks. At the date of application, it knew that its trade mark registration would prevent others, including the opponent, from using it on cider. It could be argued that it did not know that the opponent considered itself to be the rightful owner because the applicant had received none of Mr Gibson's letters. However, that it did not know of the opponent's position appears unlikely in the face (i) of Messrs Gibson, Lyle, Smith and Watkins' evidence and the invoices and receipts, whereby the same product was called KB by the applicant and Old Bristolian by the opponent. It is also unlikely that it did not receive the letter dated 24 September 2010, exhibited at EG9, whereby Mr Gibson terminated the supply relationship. Ms West complains that the opponent was using the wrong address. She gives the right name and address (bearing in mind the change to the applicant's name) as Broadoak Cider Company Limited, Clutton Hill Industrial Estate, King Lane, Clutton, Bristol, BS39 5QQ. Mr Gibson's letter was addressed to Brian Brunt (so correctly spelled), The Original Cider Company, Clutton Hill Industrial Estate, King Lane, Clutton, Bristol, BS39 5QQ. These two addresses are the same, and Mr Gibson's letter was addressed to Brian Brunt. It may be that other letters were incorrectly addressed, but this one was correctly addressed. Mr Gibson states that he sent the letter by recorded delivery. Ms West refutes the legitimacy of the letter because Mr Gibson did not file proof of postage (although he offered to do so in his written submissions) and because she says it is unusual to keep a signed copy of the letter. I have already commented upon the probity of Mr Gibson's other evidence, such as his diaries, and I apply the same standard to this letter. I consider it far more probable than not that the letter was sent, and was received by the intended recipient. Part of the contents of that letter said, amongst other reasons for terminating the relationship:

"Use of our intellectual property, i.e. the 'Old Bristolian' brand without our agreement. The 'Old Bristolian' brand name was originated by myself and belongs to The Apple Cider Company Ltd. It was clearly stated from the beginning that this product would only be available under this name at The Apple."

Ms West also questions the legitimacy of the letter because the terminology is that of a person who is well aware of their intellectual property rights and she questions why Mr Gibson still failed to file a trade mark application in pursuit of his own property. However, Mr Gibson's submissions, which refer to copyright in the opponent's unregistered trade mark, indicate to me that he is not as au fait with intellectual property protection as the applicant is. However, I am not considering why the opponent did not file an application to register the trade mark but, instead, the applicant's reasons for applying to register the trade mark.

56. The opponent has put in witness statements by five different people, all with their own (corroborative) version of events. It is true that they are or were employed by the opponent and so could be expected to present a cohesive picture. Their written testimonies have not been challenged. In contrast, the opponent clearly would have like to have tested Mr Brunt's version of events, but could not do so because Mr Brunt is not a witness in these proceedings. I am left with the impression that the applicant did have knowledge of the opponent's position with regard to the trade mark. It also knew, at the date of application, of the value of registered trade marks in commerce because Ms West has stated that its commercial behaviour is to register its trade marks diligently. If, in 2006, it considered it was the rightful owner, it waited five years to formalise that claim. This appears to run contrary to its own stated behaviour. What seems more probable is that the applicant applied to register a mark which it did not create, which it knew was the exclusive preserve of the opponent (which was a customer) until at least 2008 (when it first mentioned Old Bristolian in an invoice), which the opponent had made clear it considered it owned, and which the opponent was still using in its promotional material in 2010/2011. There is no evidence that the applicant considered itself to have a superior right to registration and use of the mark. All its evidence post-dates the application date. It does not strike me that this is a case of the sort envisaged in *Cipriani*⁵. I am mindful of the fact that although the opponent has provided a paper trail of the informal genesis of its mark, as part of a business in its infancy, there is no single 'killer' piece of evidence. Nevertheless, approaching the matter as an overall assessment of the evidence from both sides, including its weight, I consider that the application to register the trade mark was unacceptable commercial behaviour, as observed by reasonable and experienced men in the field,

⁵ Arnold J: "189. In my judgment it follows from the foregoing considerations that it does not constitute bad faith for a party to apply to register a Community trade mark merely because he knows that third parties are using the same mark in relation to identical goods or services, let alone where the third parties are using similar marks and/or are using them in relation to similar goods or services. The applicant may believe that he has a superior right to registration and use of the mark. For example, it is not uncommon for prospective claimants who intend to sue a prospective defendant for passing off first to file an application for registration to strengthen their position. Even if the applicant does not believe that he has a superior right to registration and use of the mark, he may still believe that he is entitled to registration. The applicant may not intend to seek to enforce the trade mark against the third parties and/or may know or believe that the third parties would have a defence to a claim for infringement on one of the bases discussed above. In particular, the applicant may wish to secure exclusivity in the bulk of the Community while knowing that third parties have local rights in certain areas. An applicant who proceeds on the basis explicitly provided for in Article 107 can hardly be said to be abusing the Community trade mark system."

considering what the applicant knew about the matters in question⁶. It was an application made in bad faith.

Section 5(4)(a)

57. The requirements to succeed in a passing off action are well established and are summarised in *Halsbury's Laws of England* 4th Ed. as being that:

- i) the claimant's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- ii) there is a misrepresentation by the defendant (whether or not intentional) which is likely to deceive the public into believing that the defendant's goods or services are those of the claimant; and
- iii) the claimant has suffered or is likely to suffer damage as a result of the erroneous belief created by the defendant's misrepresentation.

The date of application (in this case, 1 April 2011) is the relevant date in relation to section 5(4)(a)⁷. However, where the applicant has used the mark before the date of application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made. If the applicant was not passing off when it commenced trading under the sign, a continuation of the same trade under the same sign will not amount to passing off at the relevant date. The applicant could show evidence which could establish that it was the senior user and that the existing position should not be disturbed and so its use would not be liable to be prevented by the law of passing-off⁸. In this case, Ms West, for the applicant, has claimed that the applicant has used its mark "for several years", but there is no evidence to back that statement. The opponent's dating is vague but it is possible to infer, from the letter which Mr Gibson sent to Mr Brunt terminating their business relationship, that the applicant was using the mark at least by the date of the letter, 24 September 2010, and presumably before that date.

58. The first hurdle is for the opponent to prove that it has goodwill in the sign relied upon, in relation to the goods (cider) it lists in its notice of opposition, in the mind of the purchasing public. The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margerine Ltd* [1901] AC 217 at 223:

⁶ As per *Club Sail*: "The behaviour of Andrew Williams hence the behaviour of the Applicant towards the Opponents in connection with the filing of the opposed application for registration was, on the view I take of the evidence, tainted by a desire to deprive them of their entitlement to the goodwill appertaining to the verbal and non-verbal elements of the signs in issue. That appears to me to be unacceptable on any view of what can constitute applying for registration in bad faith".

⁷ See the comments of Mr Daniel Alexander QC, sitting as the Appointed Person in *MULTISYS BL O/410/11*.

⁸ See, for instance: *Croom's Trade Mark Application* [2005] RPC 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42.

“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.”

59. Whether the opponent has the requisite goodwill has to be deduced from the evidence which it has filed. In *Reef Trade Mark* [2002] RPC 19, Pumfrey J said:

“There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under 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.”

and

“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.”

In *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat), Floyd J, building upon Pumfrey J's observations, said:

“8 Those 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.”

60. As the authorities show, there is no magic evidential formula by which goodwill is established. Taking the opponent's evidence as a whole, it provides a picture which shows that Old Bristolian was synonymous with The Apple, the opponent's bar in which it was exclusively sold for at least the period September 2006 to September

2008. The new supplier, Richs Cider, began manufacturing Old Bristolian for the opponent in late September 2010, on an exclusive basis as evidenced by the agreement put in place between the opponent and the supplier. This was the same month as the termination of business between the opponent and the applicant and shows a continuing business selling, exclusively, Old Bristolian cider. The vouchers from the "Venue Student Guide 2010/2011" show the name of the opponent's business, "The Apple", and include "Discover the legendary Old Bristolian Cider (8.4% VOL!) or shoot a Bristol Pistol for 95p with this voucher". The reverse of the voucher says "The Apple is Bristol's Legendary Cider Boat" and "**Old Bristolian**" is **our infamous 8.4% Cider!**" and "The Bristol Pistol is a shooter made with Old Bristolian, Cider Brandy and Cassis". The dating on the voucher says that the offer was valid until 17 October 2011. Although after the date on which the contested trade mark application was made, it is in a 2010/2011 publication and with the other evidence indicates that the opponent was selling Old Bristolian cider up to the application date. Although Mr Gibson regards the Apple as probably the most prominent cider bar in the world, there is no evidence of this. Mr Gibson has not stated what the level of turnover was. However, the inference from the evidence (invoices, receipts, press reports, student vouchers from 2009 and 2010/2011, and the 2010 change of supplier) is that the trade was continuous. The receipts for KB cider showed quantities such as 100 gallons. This is not a vast amount, but this could be explained by the fact that the cider was known for being exceptionally potent and exclusive to a single outlet, the opponent's cider bar(ge), and sold in half-pint measures. A small amount of goodwill, as long as it is not trivial, can be evidence of an attractive force which brings in custom⁹. The overall picture produced by the evidence is sufficient to demonstrate that between 2006 and 2011, the opponent enjoyed a local goodwill, in Bristol, in Old Bristolian cider.

61. In deciding whether a substantial number of the opponent's customers (and potential customers)¹⁰ will merely wonder if there is a connection between the parties, or whether they will assume that there is a connection and thereby be deceived, the following factors from Halsbury's Laws, cited in *WILD CHILD* [1998] RPC 455 by Geoffrey Hobbs QC, sitting as the Appointed Person, are helpful:

"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."

⁹ A trivial goodwill will not accrue protection (*Hart v Relentless Records* [2002] EWHC 1984), however a small goodwill can give rise to protection (*Stannard v Reay* [1967] FSR 140 and *Teleworks v Telework Group* [2002] RPC 27).

¹⁰ *Neutrogena Corporation and Anr. v Golden Limited and Anr.* [1196] RPC 473.

62. The applicant seeks a national right, which would include the opponent's locality. The applicant's mark is clearly identical to the opponent's sign. It is for use/ used on identical goods and alcoholic beverages, which include cider. Other alcoholic goods in class 32 include perry and beers. These are brewed, alcoholic drinks, closely allied to cider, which will be sold in pubs and bars, as well as in supermarkets and off-licences. The opponent had a protectable goodwill both at the date of application and earlier, at the start of the behaviour complained about. There are no differences between the applicant's mark and the opponent's sign to which the opponent's customers can point and conclude that the differences indicate different traders. A substantial number of the opponent's customers will believe that the applicant's goods are those of the opponent¹¹. Deception is inevitable and the damage which follows will be loss of trade and loss of reputation if (as has been alleged) the applicant's product is inferior. The applicant is liable to be prevented from use of the trade mark under the law of passing-off and so the section 5(4)(a) ground succeeds.

Outcome

63. The opponent has been successful under both its section 3(6) and 5(4)(a) grounds. The application is refused.

Costs

64. The opponent has been successful and is entitled to a contribution towards the cost of the time it has spent on these proceedings. The Registrar usually operates on a published scale of costs¹². However, since the opponent has not been professionally represented during the proceedings, an award made from the published scale might be larger than its actual expenditure. In BL O/160/08 *South Beck*, Mr Richard Arnold QC, sitting as the appointed person, stated:

"32. Secondly, counsel for the opponent submitted that, if CPR r. 48.6 was applicable, the hearing officer had misapplied it. In support of this submission he pointed out that CPR r. 48.6(4) provides:

The amount of costs to be allowed to the litigant in person for any item of work claimed shall be-

(a) where the litigant can prove financial loss, the amount that he can prove he has lost for time reasonably spent on doing the work; or

(b) where the litigant cannot prove financial loss, an amount for the time reasonably spent on doing the work at the rate set out in the practice direction.

The Part 48 Practice Direction provides at paragraph 52.4 that the amount which may be allowed to a litigant in person under rule 46.8(4) is £9.25 per

¹¹ *The Birmingham Vinegar Brewery Co Ltd v Powell* [1897] AC 710: "the customer does not know or care who the manufacturer is, but it is a particular manufacture that he desires".

¹² Tribunal Practice Notice 4/2007.

hour. Counsel submitted that the hearing officer appeared to have awarded the applicant two-thirds of the scale figure which he would have awarded a represented party, and that this could not be justified since the opponent had not proved any financial loss and was very unlikely to have spent over 160 hours on the matter.....

36. In my judgment the approach which should be adopted when the Registrar is asked to make an award of costs in favour of a litigant in person is as follows. The hearing officer should direct the litigant in person pursuant to r. 57 of the 2000 Rules to file a brief schedule or statement setting out (i) any disbursements which the litigant claimed he has incurred, (ii) any other financial losses claimed by the litigant and (iii) a statement of the time spent by the litigant in dealing with the proceedings. The hearing officer should then make an assessment of the costs to be awarded applying by analogy the principles applicable under r. 48.6, but with a fairly broad brush. The objective should be to ensure that litigants in person are neither disadvantaged nor overcompensated by comparison with professionally represented litigants.”

Under the current practice direction, the amount allowed to a litigant in person is £18 per hour.

65. The final paragraph of Mr Gibson’s witness statement says:

“We therefore ask that you reject the applicant’s application to register ‘Old Bristolian’ and award an amount in costs to ourselves that fully recognises the time and effort it has taken me to put our case together. My hours are charged to The Apple Cider Company at £200 per day, I have had to spend at least 12 days so far researching the law, contacting witnesses and going back through our records. The time demands have seriously jeopardised my other business interests.”

66. Mr Gibson’s estimate of 12 days appears to me to be reasonable in relation to the evidence and submissions he filed, bearing in mind that it is appropriate to allow a litigant-in-person more time for a particular task than a professional adviser would be allowed¹³. Applying the Civil Procedure Rules practice direction figure of £18 per hour, the daily amount, for a seven hour working day, is £126. Mr Gibson’s daily rate is £200, but this would be to award actual costs, rather than a compensatory amount as envisaged by the scale of costs in TPN 4/2007. I do not consider that there is any aspect of these proceedings which warrants going off scale by awarding actual costs. I therefore award £200 for the statutory opposition fee and £1512 (£126 x 12) for Mr Gibson’s time spent drafting the notice of opposition, reviewing the counterstatement, compiling the opponent’s evidence, reviewing the applicant’s evidence and submissions, and filing written submissions in lieu of a hearing. **The total cost award is therefore £1712.**

¹³ As per Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person in *Bluebird*, BL O/020/12.

67. I order Broadoak Cider Company Limited to pay The Apple Cider Company Limited the sum of £1712. 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 8th day of October 2012

**Judi Pike
For the Registrar,
the Comptroller-General**