

O-199-05

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 2343223  
IN THE NAME OF U.W.G LIMITED  
TO REGISTER THE TRADE MARK CAMSCAN IN CLASS 42**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER NO. 92253 IN THE NAME OF  
E.V. OFFSHORE LIMITED**

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under No. 92253 in the name of E.V. Offshore Limited**

### **Background**

1. On 12 September 2003, U.W.G. Limited applied to register the trade mark CAMSCAN in Class 42, in relation to the following specification of services:

Remote inspection services; remote inspection services for well heads, well risers and well bores for gas- and oil-wells; monitoring and observation of underwater operations; monitoring and observation of seabed and subsea equipment; structural surveys and monitoring of well heads, well risers and well bores for gas- and oil-wells and other seabed and sub-sea equipment.

2. On 22 January 2004, E.V. Offshore Limited filed notice of opposition to the application, the grounds of opposition being as follows:

- 1. Under Section 5(4)(a)** by virtue of the law of passing off.
- 2. Under Section 3(6)** because the applicants know that CAMSCAN belongs to the opponents and can claim no valid rights in the mark.

3. The applicants filed a counterstatement in which they deny the grounds on which the opposition is based.

4. Both sides ask that an award of costs be made in their favour.

5. Both sides filed evidence in these proceedings. The matter came to be heard on 24 May 2005, when the applicants were represented by Mr Simon Malynicz of Counsel, instructed by Dummett Copp, their trade mark attorneys. The opponents were represented by Mr William Jones of *i.p* 21 Limited, their trade mark attorneys..

## **Opponents= evidence**

6. This consists of a Witness Statement dated 29 July 2004 from Jonathon J R Thursby, a Director of E.V. Offshore Limited, a position he has held since the formation of the company in 2000.

7. Mr Thursby says that his company specialises in the design and manufacture of downhole, subsea and topside camera systems for the international upstream oil and gas industries, and is a market leader in providing camera inspection systems. It is a sister company of the E.V. Group which was founded in 1986. He says that the group=s specialised mini-cameras have been used in Formula 1 racing cars, World Rally cars, BT Global Challenge yachts, Tornado fighter jets, Apache Ground Attack helicopters and World Class power boats. His company also provides a range of design consultancy services for a variety of subsea activities.

8. Mr Thursby says that the name CAMSCAN was first used in the UK in 2000, the name being engraved onto camera inspection systems. He says that the applicants order the CAMSCAN equipment from his company and return it for all aspects of repair and servicing. Mr Thursby goes on to list a number of exhibits all showing there to be a commercial relationship between U.W.G. and E.V. Offshore Ltd. The following exhibits specifically mention CAMSCAN:

Purchase order dated 9 February 2001, relating to the purchase of a CAMSCAN equipment case. (Exhibit 3)

Purchase order dated 20 June 2001, relating to the payment of a deposit for the purchase of a CAMSCAN System. (Exhibit 4)

Purchase orders dated November 2000, February 2001 and March 2001, relating to the service of a CAMSCAN System.(Exhibits 5, 6, 7, 8 and 9)

Letter dated 25 October 2001, from U.W.G. Limited to E.V. Offshore Limited, relating to their commercial relationship. The letter refers to having hoped that business would have supported the purchase of 5 CAMSCAN, to U.W.G being pleased with the CAMSCAN performance and continuing the existing working relationship in respect of CAMSCAN business. (Exhibit 10)

Purchase orders dated 20 December 2000 and 1 February 2001, relating to the provision of training for CAMSCAN downhole operation. (Exhibits 11 and 12)

Agreement dated 6 December 2000, between U.W.G. and E.V. Offshore Ltd, setting out terms for the protection of U.W.G.=s rental interests in respect of the CAMSCAN, and terms for the purchase of CAMSCAN systems by U.W.G. from E.V. Offshore (Exhibit 13)

Letter dated 8 September 2003, from U.W.G Limited, to E.V. Offshore Limited, relating to the marketing of CAMSCAN by E.V. Offshore, stating that offering of the CAMSCAN system to the general market, including U.W.G.=s customers and competitors is potentially a breach of an agreement between the companies, and that continued unrestricted marketing of the capabilities of CAMSCAN, developed

specifically on the back of the orders placed by U.W.G. will be a breach. An attachment headed as "Notes for the U.W.G. meeting" mention CAMSCAN as having earned U.W.G. a great deal of money, to the agreement having been drawn up after 3 systems had been supplied, and to U.W.G. having made no design or development contribution to the original system. The exhibit includes a further copy of the agreement shown as Exhibit 13. (Exhibit 14)

Letter dated 17 October 2003, from U.W.G. Ltd to E.V. Offshore Ltd, relating to continued difficulties in their commercial relationship. The letter refers to a failure by E.V. Offshore Ltd to provide proposals to upgrade "our" existing CAMSCAN equipment, the word CAMSCAN being shown with the letters "AJ". The letter further states that "CAMSCAN J" has been registered as a U.W.G. trademark and that they expected E.V. Offshore Ltd not to infringe this. (Exhibit 15a)

Letter dated 27 October 2003, from U.W.G. Ltd to E.V. Offshore Ltd, relating to the late delivery of, and problems with a "CAMSCAN J System 6" and threatening recovery of monies. (Exhibit 15b)

9. Mr Thursby refers to the agreement shown as Exhibit 13, stating that this shows the existing and continuing usage of CAMSCAN to be his company's, and that E.V. Offshore Ltd were obliged by U.W.G. to extend E.V. Offshore Ltd's facilities to meet U.W.G.'s needs for the servicing of CAMSCAN. Mr Thursby concludes his statement saying that the only association that U.W.G. could claim with the mark CAMSCAN is as a validly controlled permitted licensed user.

#### **Applicants' evidence**

10. This consists of two Witness Statements. The first is dated 1 November 2004, and comes from Timothy Phillip Chandler, Principal Project Engineer of U.W.G. Ltd,

11. Mr Chandler refers to the circumstances that led to U.W.G. seeking to purchase cameras for use in their business of providing monitoring services to the offshore industry. He says that specifications for the camera were drawn up and discussions started with Eastern Video Limited. He says that Mr Thursby of E.V. Offshore Ltd prepared a technical specification for the yet un-named camera system, and quoted for supply through a newly created company, Eastern Video Offshore Limited.

12. Mr Chandler says that the name CAMSCAN was conceived through a competition amongst U.W.G. staff to find a brand name for the camera, CAMSCAN being the entry of Karol Gorny, a U.W.G. employee. Mr Chandler says that having chosen the name it was used in all discussions with E.V. Offshore Ltd. He says that as CAMSCAN was to be a service provided by U.W.G., E.V. Offshore Ltd being no more than a 3<sup>rd</sup> party supplier, it was not considered necessary to include them in the naming process. Mr Chandler expresses his surprise that Mr Thursby in claiming to have thought of the name, distinctly remembering Mr Thursby had not been in favour of the name.

13. The second Witness Statement is dated 25 October 2004, and comes from Paul Lionel

Alcock, Vice President of Marketing & Business Integration of U.W.G. Group Limited, a position he has held since October 2000.

14. Mr Alcock outlines the purpose of his business, and the circumstances that in the year 2000 led to the opening of discussions with E.V. Offshore Ltd, a company which had the required expertise in camera systems and associated electronics. He says that it was agreed that E.V. Offshore Ltd would provide the camera hardware that would be used by U.W.G. Ltd in providing monitoring services. Subsequently, it was agreed that E.V. Offshore Ltd would provide ongoing support and maintenance of the camera systems and training for operators.

15. Mr Alcock says that the CAMSCAN mark was created by U.W.G. Ltd as a brand name for the monitoring services provided by that company. E.V. Offshore Ltd applied the CAMSCAN mark to the camera systems that were supplied to U.W.G. Ltd but were not authorised or licensed to use the CAMSCAN mark for any other purpose. He goes on to refer to the following evidence:

Exhibit 1 consists of an outline of the basis for a co-operation agreement between U.W.G and E.V. Offshore Ltd. Whilst this confirms the arrangement outlined by Mr Alcock, there is no mention of CAMSCAN.

Exhibit 2 consists of a copy of the agreement referred to as Exhibit 13 to Mr Thursby's Statement.

Exhibit 3 consists of a quotation provided to U.W.G. in connection with the provision of a downhole camera system. The only mention of CAMSCAN is in a revision document dated 24 March 2004 which is after the relevant date.

Exhibit 4 consists of documentation dating from December 2000, relating to U.W.G.'s rental of CAMSCAN to Wintershall N. S.

Exhibit 5 consists of an invoice from U.W.G. dated 31 July 2001, for the rental of CAMSCAN to BP Exploration.

Exhibit 6 consists of a quotation from U.W.G. dated 10 July 2002, relating to the rental of CAMSCAN to BP Jakarta.

Exhibit 7 consists of a quotation from U.W.G. dated 9 May 2001, relating to the rental of CAMSCAN.

Exhibit 8 consists of details of the CAMSCAN Pan & Tilt Camera system. This is on paper headed with the U.W.G. logo.

Exhibit 9 consists of details of a CAMSCAN Camera training course. This is on paper headed with the U.W.G. logo and refers to having approached E.V. Offshore Ltd for a quotation for a training course on the CAMSCAN camera equipment.

Exhibit 10 consists of a report by U.W.G. headed **BP (WEST OF SHETLANDS GROUP) CAMSCAN AND SURFACTANT TEST 15 MAY 2001**. The report refers

to the purpose of the test as being a demonstration to BP who were interested in using U.W.G.'s CAMSCAN digital pan and tilt subsea camera system.

Exhibit 11 consists of a record of a visit undertaken by U.W.G. staff on 16 February 2001. There is no mention of CAMSCAN.

Exhibit 12 consists of a record of a visit undertaken by U.W.G. staff on 16 February 2001. There is a mention of the person visited as being interested in promoting our CAMSCAN system in his company.

Exhibit 13 consists of a record of a visit undertaken by U.W.G. staff on 22 November 2000, mentioning the CAMSCAN system.

Exhibit 14 consists of a record of a visit undertaken by U.W.G. staff on 8 December 2000, mentioning the CAMSCAN system.

Exhibit 15 consists of a record of a visit undertaken by U.W.G. staff on 14 June 2001, mentioning CAMSCAN disposable cameras.

Exhibit 16 consists of a record of a visit undertaken by U.W.G. staff on 25 May 2001. There is a mention of the promotion of the CAMSCAN system, the record stating that the person being visited had said that he didn't realise that U.W.G. had CAMSCAN.

Exhibit 17 consists of a record of a visit undertaken by U.W.G. staff on 30 May 2001, mentioning the promotion of the CAMSCAN system.

Exhibit 18 consists of a record of a visit undertaken by U.W.G. staff on 19 September 2001. There is a mention of having to consider whether it would be possible to fit a manipulator arm to CAMSCAN.

Exhibit 19 consists of a record of a visit undertaken by U.W.G. staff on 23 May 2001, mentioning that CAMSCAN was discussed.

Exhibit 20 consists of a record of a visit undertaken by U.W.G. staff on 30 May 2001, mentioning that CAMSCAN CD Presentation details left.

Exhibit 21 consists of a record of a visit undertaken by U.W.G. staff on 19 July 2001. There is no mention of CAMSCAN.

Exhibit 22 consists of a purchase order dated 12 March 2001, relating to the design and printing of CAMSCAN flyers for U.W.G.

Exhibit 23 consists of a brochure headed CAMSCAN and stating that U.W.G. is proud to launch its new digital pan and tilt sub-surface camera system.

16. Mr Alcock says that as can be seen from Exhibits 1 and 2, U.W.G. agreed to order a minimum number of systems from E.V. Offshore Limited, and that that company would not supply camera systems to other companies who would be in competition with U.W.G. He

refers to the lack of any mention of CAMSCAN in the early documentation, and confirms that a competition was held to determine the name for the camera. Mr Alcock says that sales of monitoring services under CAMSCAN have been made to a number of leading oil companies having brought in , 4 million since December 2000.

### **Opponents= evidence in reply**

17. This consists of a Witness Statement dated 31 January 2005, and comes from Jonathon R Thursby. Mr Thursby's Statement consists of no more than submissions on the evidence filed by the applicants, and the substantive issues in this case. Whilst I do not consider it to be appropriate or necessary to summarise these submissions, I will take them fully into account in my determination of this case.

18. That concludes my summary of the evidence insofar as it is relevant to these proceedings.

### **DECISION**

19. Turning first to the ground of opposition founded under Section 5(4)(a). That section reads as follows:

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

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

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

20. To determine the issue under this section of the Act, I shall adopt the guidance provided by the Appointed Person, Mr Geoffrey Hobbs Q.C in the *Wild Child* case [1998] 14 RPC 455. In that decision Mr Hobbs states that:

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

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

- (1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that 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 a literal, extensive definition of 'passing off', and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

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

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

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

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

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

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;



- (c) the similarity of the mark, name etc used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

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

21. To the above I add the comments of Pumfrey J in *South Cone Incorporated v Jack Bessant, and others*, [2002] RPC 19, in which he said:

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

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

22. The date at which the matter must be judged is not entirely clear from Section 5(4)(a) of the Act. This provision is clearly intended to implement Article 4(4)(b) of Directive 89/104/EEC. It is now well settled that it is appropriate to look to the wording of the Directive in order to settle matters of doubt arising from the wording of equivalent provisions of the Act. The relevant date may therefore be either the date of the application for the mark in suit (although not later), or the date at which the acts first complained of commenced B as per the comments in *Cadbury Schweppes Pty Ltd v The Pub Squash Co Pty Ltd* [1981] RPC 429.

23. The applicants and the opponents have been party to a commercial arrangement under which the opponents manufactured CAMSCAN camera equipment that has been used by the applicants in the provision of a service. In his evidence Mr Chandler says that for many years the applicants had been involved in the business of providing services relating to the design, construction and decommissioning of oil and gas wells, and the monitoring of underwater structures which typically involved the provision of a camera system and operators. The monitoring services had been

provided by means of a supply agreement under a joint venture with another company, but when it became clear that revenue was being lost through the venture his company made the decision to purchase their own cameras to provide the monitoring service. He recounts that during the Summer of 2000, he and Mark Boyd, a Director of U.W.G. developed a strategic business plan for developing the company's equipment rental business, the plan being issued in August 2000. The way that Mr Chandler's Statement is constructed gives the impression that the decision to develop their own camera was as a result of this plan, but given that the earliest purchase order is dated 17 February 2000 this would appear not to be the case.

24. Mr Chandler gives a reasonably detailed account of the writing of a specification for the camera, and to discussions taking place with Eastern Video Limited, that company being chosen because Mike McVay, the Operations Supervisor U.W.G. knew Mr Jonathon Thursby, the Managing Director of the company on a personal basis. He says that Mr Thursby prepared the technical specifications for the proposed camera and quoted for the supply through a newly created company, Eastern Video Offshore Limited. Mr Chandler recounts that because Eastern Video Offshore Limited knew nothing of the offshore industry, and the applicants were not experts in electronics or camera design, several meetings were necessary to define the needs and technical details of the camera.

25. Mr Thursby in turn says that E V Offshore Ltd was formed in 2000, and specialises in the design and manufacture of downhole, subsea and topside camera systems for use in the oil and gas industries, and is a market leader in the provision of camera inspection systems. Whilst factually correct, this statement could easily give the impression that E V Offshore Ltd were operating in the offshore oil and gas industries when the applicants first came to them to design the camera, but this is clearly not the case. Mr Thursby is silent on Mr Chandler's account of the development of the camera, and has no comment on the assertion that prior to its development the opponents had not been operating in the offshore oil or gas industries. The conclusion I reach is that when the applicants approached the opponents, at that time the E V Group, they were, as stated by Mr Thursby, involved in the manufacturer of specialised camera and inspection systems for use in the broadcast and industrial inspection industries. Whilst they had the camera know-how, they did not have experience or expertise in offshore applications. This was provided by the applicants, and having acquired this knowledge the opponents formed E V Offshore Ltd.

26. Mr Chandler says that at the outset the camera did not have a name, which would seem to be borne out by the early purchase orders dating from February and August 2000 which simply refer to camera systems.

27. The opponents say that they first thought up and used the name CAMSCAN in the UK in the year 2000, being derived from the first syllable of CAMERA and the word SCAN which alludes to the particular properties of data capturing through pan and tilting of this camera system. I would have to say that even without this explanation the source of the inspiration would have been readily apparent. Mr Thursby says that CAMSCAN is from a portfolio of similar marks, citing the registration for PUDDLECAM, and applications to register STIKCAM. Whilst the derivation may be plausible, the claim to CAMSCAN being part of a group is weak to say the least. The mark PUDDLECAM was applied for on 25 October 2003, over one month after the application to register CAMSCAN. The application for STIKCAM was made on 26 May 2004, some eight months later. As an aside, if the opponents were creating a portfolio of similarly constructed marks I would have thought ASCANCAM rather than CAMSCAN, would have been in keeping

but I put no weight on this.

28. The applicants say that they came up with the name CAMSCAN through a competition amongst their employees, but apart from giving the name of the person who made the winning entry they give no specific details. Where, as in this case, there is a dispute over the origins of a trade mark, evidence from the person said to have coined it can be of assistance. I do not know why this was not provided; the applicants do not say. But whatever the reason for this omission, the name CAMSCAN is not a technical description that would only have been known to specialists in the industry. The derivation of the mark is fairly plain to see, and it is quite feasible that it could be the invention of a person with no more knowledge than the function of the system, or the use to which it will be put.

29. An agreement between the parties dated 6 December 2000 uses the name CAMSCAN, under which the opponents agree, inter alia, to protect the applicants' camera interests by undertaking not to sell the CAMSCAN camera system design to any other company operating in the same field as the applicants. The agreement gives no clue as to the origins or ownership of the CAMSCAN name.

30. Mr Malynicz referred me to the observations of Mr Garnett QC in *Medigen Inc v Passion for Life Products Ltd*. In that case Mr Garnett considered the key question to be whether the claimant can prove that the name is associated in the minds of a substantial number of the relevant persons specifically and exclusively with it and its products, or alternatively, is the name associated with both of the parties? Mr Garnett had stated that a conclusion that a name may be associated with two parties, but no one else, was legally possible but a surprising and unsatisfactory state of affairs. Despite Mr Garnett's indication on dual ownership of goodwill, Mr Malynicz agreed that in the circumstances of this case it was legally possible for the opponents to have established a reputation and goodwill in the CAMSCAN camera equipment and its repair and servicing, and for the applicants to have done so in respect of the rental of the equipment.

31. The earliest use of CAMSCAN can be found on a purchase order (Exhibit 5 to Thursby), dated 20 November 2000, by which the applicants placed an order for E V Offshore Ltd to service a Camscan camera system No.3". The purchase order for camera system No.3 (Exhibit 2 to Thursby) has no mention of CAMSCAN. That the applicants used the name CAMSCAN on the Purchase Order suggests that they expected the opponents to be aware of the name and understand what the purchase order was referring to. It therefore seems reasonable to infer that by the time camera system No.3 came to be serviced, the name CAMSCAN must have been known to both the applicants and to the opponents.

32. Documentation and reports of visits dating from November and December 2000 show the applicants to be actively marketing CAMSCAN, and to have been using the mark in relation to the operation of their rental service. There is little evidence showing use of the mark by the opponents, and what there is, is limited to documentation or correspondence between the applicants and themselves; there is not one piece that shows the opponents to have used the mark CAMSCAN outside of the commercial transactions with the applicants. A quotation for the supply of camera systems dating from 7 December 2000 show that around the same time that the applicants appear to have started using the CAMSCAN name, the opponents were also doing so.

33. The opponents rely on an occasion when a potential client is recorded as having been

surprised to learn that the applicants had CAMSCAN as being evidence that CAMSCAN is not associated with the applicants. There could be many reasons why the person did not know that the applicants were involved with CAMSCAN, but the fact that they did not is hardly a sufficient basis from which to conclude that this is representative of the industry at large. But even if it were, this would not help the opponents, for it does not establish that any goodwill and reputation rests with them, and as Mr Malynicz quite rightly stated, it is not for the applicants to prove that they own the goodwill in CAMSCAN; that onus rests squarely on the shoulders of the opponents.

34. The opponents also cite the fact that they not only manufactured CAMSCAN, they also carried out all servicing and repairs on the camera systems, and provided training in its use and operation.

Given that the opponents make the equipment it cannot be surprising that they also provide technical back-up in keeping it operational. As far as I can see from the evidence, any training provided was to the applicants=employees who presumably either operated the equipment during rental contracts, or provided training in the operation to the renting companies own employees.

35. In his submissions, Mr Jones argued that in such a specialist field the applicants would be known to have neither the capacity to manufacture or service the camera systems, and consequently the consumer would not ascribe the origin of the CAMSCAN to the applicants. By way of analogy he gave the examples of the BBC using a Sony branded camera in its outside broadcasts, and the security firm ADT using Nikon or Hasselblad cameras, stating that nobody would ascribe the rights in the Sony, Nikon or Hasselblad marks to the user. Mr Jones presumably picked the names as examples because they are known to him, and likely to be known to others as being the marks used on products from particular manufacturers. The CAMSCAN name appears to have been marketed to the industry by the applicants, as being their product. I have seen no mention of the opponents=name in any of the Aexternal@business documentation or promotional literature. In fact there is no evidence whatsoever that the industry (consumers) was aware of the opponents=involvement with CAMSCAN, or even that they existed. Whilst it is not necessary for the consumer to know the opponents= name (*Asda v United Biscuits* [1997] RPC 513), it being sufficient for them to know that there is such a person, I see no reason why I should infer that the consumer would have assumed there to be a manufacturer behind the scenes.

36. The opponents=only customer appears to be the applicants and they dispute the ownership of the name, and the goodwill and reputation attached. I do not see how the evidence before me, provides any basis on which to conclude that in the minds of any, let alone a Asubstantial number@ of the relevant persons, the name CAMSCAN is specifically and exclusively associated with the opponents and its products. In my view the opponents have not discharged the onus of establishing that they have any goodwill or reputation, and consequently, I do not see how I can find that use of CAMSCAN in relation to the services for which they seek registration, would constitute a misrepresentation that would lead or be likely to lead the public to believe that services offered are services of the opponents. That being the case there can be no finding that the opponents have suffered or are likely to suffer damage. The ground under Section 5(4)(a) fails and is dismissed.

37. Turning to the ground under Section 3(6). That section reads as follows:

**A3.-(6)** A trade mark shall not be registered if or to the extent that the application is made in bad faith.@

38. In the case of *Gromax Plasticulture v Don & Low Nonwovens Ltd* [1999] RPC 367, Lindsay J

put the position in relation to an allegation of bad faith as follows:

: AI shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall-short in order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances.@

39. Mr Malynicz referred me to two decisions, the first being that of Mr Simon Thorley Q.C., appearing as the Appointed Person in *R. v. Royal Enfield Trade Marks* [2002] RPC. 24. At paragraph 31 Mr Thorley took the following view on an allegation that a party has acted in bad faith:

A31 An allegation that a trade mark has been applied for in bad faith is a serious allegation. It is an allegation of a form of commercial fraud. A plea of fraud should not lightly be made (see Lord Denning M.R. in *Associated Leisure v. Associated Newspapers* [1970] 2 Q.B. 450 at 456) and if made should be distinctly alleged and distinctly proved. It is not permissible to leave fraud to be inferred from the facts (see *Davy v. Garrett* (1877-78) L.R. 7 Ch.D. 473 at 489). In my judgment precisely the same considerations apply to an allegation of lack of bad faith made under section 3(6). It should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference. Further I do not believe that it is right that an attack based upon section 3(6) should be relied on as an adjunct to a case raised under another section of the Act. If bad faith is being alleged, it should be alleged up front as a primary argument or not at all.

32 In the present case Mr. Edenborough invited the Hearing Officer to infer bad faith from incidents which allegedly took place in 1989, the bad faith being in 1992. No application was made to cross examine Mr. Narayan to challenge his rejection of Mr. Holder's evidence. Mr. Edenborough told me that no application was made to cross examine because it was the practice of the Registry to refuse such applications. I am unaware that there is such a practice and if there were to be, it would be wrong.

33. Where there is a conflict of evidence (and it is material for the purposes of the dispute for the Hearing Officer to resolve that conflict) and where it is thought that cross examination is either desirable or necessary to assist him in that task an application for cross examination must be made prior to the hearing before the registry. If the Hearing Officer wrongly declines to allow cross examination, that can be the subject of an appeal.

40. The second case is the Court of Appeal decision in *Harrison's Trade Mark Application* [2005] FSR 177. Sir William Aldous's judgment in *Harrison* also considered the relevance of a further case, *Twinsectra Ltd v Yardley*, [2002] UKHL 12; [2002] 2 A.C. 164, which had been before The House of Lords. Consideration was given to the nature of the test to be applied in considering matters of dishonesty:

A23 In *Twinsectra*, the courts had had to consider whether a solicitor had acted dishonestly. Although the question for decision in that case was different, the reasoning in the speeches is relevant. The leading speech was made by Lord Hutton. At [27] he said:

A27 Y. There are three possible standards which can be applied to determine whether a person has acted dishonestly. There is a purely subjective standard, whereby a person is only regarded as dishonest if he transgresses his own standard of honesty, even if that standard is contrary to that of reasonable and honest people. This has been termed the 'Robin Hood test' and has been rejected by the courts. As Sir Christopher Slade stated in *Walker v Stones* [2000] Lloyd's Rep PN 864, 877 para.164:

'A person may in some cases act dishonestly, according to the ordinary use of language, even though he genuinely believes that his action is morally justified. The penniless thief, for example, who picks the pocket of the multi-millionaire is dishonest even though he genuinely considers that theft is morally justified as a fair redistribution of wealth and that he is not therefore being dishonest'

Secondly, there is a purely objective standard whereby a person acts dishonestly if his conduct is dishonest by the ordinary standards of reasonable and honest people, even if he does not realise this. Thirdly, there is a standard which combines an objective test and a subjective test, and which requires that before there can be a finding of dishonesty it must be established that the defendant's conduct was dishonest by the ordinary standards of reasonable and honest people and that he himself realised that by those standards his conduct was dishonest. I will term this 'the combined test'.

24 Clearly the court, when considering bad faith, cannot apply a purely subjective test, called by Lord Hutton 'the Robin Hood test'. The dishonest person or one with low standards cannot be permitted to obtain trade mark registrations in circumstances where a person abiding by a reasonable standard would not. The registration of a trade mark is designed to enable bona fide proprietors to protect their proprietary rights without having to prove unfair trading. Registration is not provided to help those with low moral standards.

25 Lord Hutton went on to conclude that the true test for dishonesty was the combined test. He said:

A36 Y Therefore I consider Y that your Lordships should state that dishonesty requires knowledge by the defendant that what he was doing would be regarded as dishonest by honest people, although he should not escape a finding of dishonesty because he sets his own standards of honesty and does not regard as dishonest what he knows would offend the normally accepted standards of honest conduct.

26 For my part, I would accept the reasoning of Lord Hutton as applying to considerations of bad faith. The words 'bad faith' suggest a mental state. Clearly when considering the

question of whether an application to register is made in bad faith all the circumstances will be relevant. However, the court must decide whether the knowledge of the applicant was such that his decision to apply for registration would be regarded as in bad faith by persons adopting proper standards.®

41. That the parties were involved in a commercial relationship means that there can be no doubt that the applicants knew there was potentially a rival claim to the use of the name. But simply knowing about another's use does not make adopting and registering it as your trade mark an act of bad faith, for as stated in *Harrods Ltd v Harrodian School Ltd*, unless registered as a trade mark, no one has a monopoly in their brand name or get-up, however familiar these may be.

42. The opponents say that at the time the application to register CAMSCAN was made, a product supply agreement was in place under which the opponents supplied camera systems, branded CAMSCAN, to the applicants. They allege that the filing of the application was a direct reaction to the failure of the parties to arrive at an agreement to continue their relationship, and is arguably contrary to the contractual provisions, and is contrary to the intent of the agreement. On my reading of the agreement (Exhibit 2 Alcock) there is no mention of the ownership of the CAMSCAN name, nor any clause that would prevent the applicants, or indeed the opponents from registering it. If that was the intent of the agreement it is not apparent.

43. The opponents= assert that the applicants knew that the trade mark CAMSCAN belonged to them in all respects, and that they could not claim any valid rights in it, and this being the case they acted in bad faith by making the application. As Mr Malynicz pointed out, this is a question of proprietorship that properly falls to be determined under the provisions of Section 5. Nonetheless, have the opponents **Adistinctly proved**®their allegation? In my determination of the ground under Section 5(4)(a) I mentioned there is no evidence to support the opponents= claim to having originated the mark CAMSCAN or that shows them to have used it outside of commercial transactions with the applicants. To conclude that the opponents are the rightful owners of CAMSCAN would require me to **infer**®this from the facts before me. Although the case law envisages that this may be possible, it will rarely be so. I see nothing that persuades me that this is one of those occasions and the ground under Section 3(6) is dismissed accordingly.

44. The opposition having failed on all grounds, I order the opponents to pay the applicants the sum of £2,750 as a contribution towards their costs. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 15th day of July 2005**

**Mike Foley  
for the Registrar  
the Comptroller-General**