

O-141-18

TRADE MARKS ACT 1994

IN THE MATTER OF

TRADE MARK APPLICATION NO 3162439

BY PINEAPPLE HEAD

TO REGISTER

PINEAPPLE HEAD

AS A TRADE MARK IN CLASS 25

AND

OPPOSITION THERETO (UNDER NO. 407235)

BY

PINEAPPLE HOLDINGS LIMITED

BACKGROUND

1) On 02 May 2016, Pineapple Head ('the applicant') applied to register PINEAPPLE HEAD as a trade mark in respect of the following goods:

Class 25: Clothing; jumpers; t-shirts; jackets; hats.

2) The application was published in the Trade Marks Journal on 27 May 2016 and notice of opposition was later filed by Pineapple Holdings Limited ('the opponent'). The opponent claims that the trade mark application offends under sections 5(2)(b), 5(3), 5(4)(a) and 3(6) of the Trade Marks Act 1994 ('the Act'). One of the marks relied upon under both sections 5(2)(b) and 5(3) is the following:

- EU registration 7084437 for the mark PINEAPPLE which has a filing date of 12 April 2006 and was entered in the register on 02 October 2008. The goods and services relied upon include:

Class 25: Clothing, footwear, headgear.

3) The EU registration above is an earlier mark, in accordance with section 6 of the Act. As it completed its registration procedure more than five years prior to the publication date of the contested mark, it is, in principle, subject to the proof of use conditions, as per section 6A of the Act. The opponent claims that the respective goods are identical and the parties' marks similar such that there is a likelihood of confusion. It also claims that the earlier mark has a reputation in relation to the goods relied upon and that use of the contested mark would lead to detriment to the reputation and/or distinctive character of the earlier mark or would take unfair advantage of that mark's reputation.

4) Under section 5(4)(a), the opponent relies upon use of the word PINEAPPLE (word-only) and pineapple (stylised) since 1979 and 1985 respectively, throughout the UK in relation to various goods and services including clothing, footwear and headgear. It is claimed that use of the contested mark in relation to the goods

applied for would amount to misrepresentation of the origin of the goods, likely to deceive the relevant consumer resulting in damage to the opponent's goodwill.

5) Under section 3(6), the opponent claims that the applicant, PINEAPPLE HEAD, is not a legal entity capable of holding property and/or capable of having the requisite *bona fide* intention to use the mark applied for on the specified goods. Accordingly, the mark has been applied for in bad faith.

6) The applicant filed a counterstatement. I note the following points made therein:

- Proof of use of the earlier mark is not requested.¹
- The applicant asserts that its goods are different to those provided by the opponent and that the parties target different consumers. It states that its goods are high-end clothing whereas the opponent provides dance and gym wear.
- The opponent is a very well-known reputable brand commonly known as pineapple dance studios and their clothing is associated with the same name.
- The parties' marks are dissimilar. The applicant states that its mark is always used with the words pineapple and head conjoined and with the image of 'a head of a pineapple', as follows:



¹ As per question 7 of Form TM8.

- The applicant says nothing in response to the claim under section 3(6) that it is not a legal entity capable of holding property or having a genuine intention to use the trade mark which is the subject of the application.

7) Only the opponent filed evidence. Neither party requested a hearing, with both preferring to file written submissions in lieu. I now make this decision after careful consideration of the papers before me.

Opponent's evidence

8) This takes the form of a witness statement from Jeffrey Carl Tasker, a Director of Pineapple Holdings Limited, dated 19 April 2017. Mr Tasker provides information about the development and use of the mark PINEAPPLE, as follows:

- The mark PINEAPPLE has been used since 1979 in relation to clothing.
- By 5 November 1982, the PINEAPPLE business was a publicly listed company on the London Stock Exchange.
- In 1984 the PINEAPPLE flagship store opened in London's Kings Road selling clothing followed by 12 other stores across the UK, including in Manchester, Kent and Brighton.
- Financial statements² show that in 2011 and 2012, £7.7 million and £5.6 million of the opponent's turnover related to the retail of fashion clothing respectively.
- Goods branded PINEAPPLE (primarily clothing) have been retailed in many of the UK's well-known stores including Amazon, Argos, Asos, Avon, Debenhams, Dorothy Perkins, Fenwick, JD Williams, JJB Sports, Matalan, Harrods, Next, Oasis, Very, Littlewoods, Boots and Tesco.
- Advertising material is provided showing women's casual clothing under the mark PINEAPPLE in magazines such as VOGUE prior to the relevant date. The items include dresses, jumpsuits and tops.
- The opponent also has its own online store at pineapple.uk.com which has been operational since 2005. Prints from the website show various goods for

² Exhibit JCT3

sale bearing the mark PINEAPPLE including leg warmers, t-shirts, tracksuit pants, cycling shorts, vests, hoodies, jumpers, leggings for men, women and children.³

- The opponent's PINEAPPLE clothing is often retailed by specialist dancewear companies (as well as in the mainstream market) such as planetdancedirect.co.uk and danceright.co.uk.
- PINEAPPLE clothing has been sold in department stores continuously in the UK since 1999. In particular, the opponent has had contractual agreements with large department stores such as Debenhams since that time which have been continuously renewed to date. Examples of clothing sold in Debenhams show women's leggings, skirts, tops and children's joggers, swimsuits, hoodies, shorts and jackets⁴.
- The PINEAPPLE clothing range is not limited to dancewear. Mr Tasker states that the opponent "took the dance element and put it into streetwear" to adapt to fit the market as active wear became more popular. Mr Tasker explains that the opponent was given a brief by Debenhams to create a range of womenswear that was sexy, pretty and feminine with an emphasis on mesh skirts, camis and lace dresses rather than dancewear. He states that PINEAPPLE clothing is now synonymous with good quality, a comfortable fit and is also stylish, an example being the boot cut jersey trousers sold through Debenhams that are easy to wear, whether to go shopping or on the school run.
- Other retailers of PINEAPPLE clothing include House of Fraser and John Lewis where the opponent has sold 'street wear' (i.e. fashionable casual wear) rather than dancewear.

9) In relation to the claim under section 3(6) of the Act, Mr Tasker states that there is no evidence that the applicant, PINEAPPLE HEAD, is a valid legal entity. He provides a print of a search of the Companies House register for companies which include the words 'Pineapple Head'. There are three companies listed, none of which, he says appear to be the applicant company given their locations and field of business. Mr Tasker states that it would appear that the applicant has filed the

³ Exhibit JCT6

⁴ Exhibit JCT8

application in the name of the trade mark itself and it is therefore invalid as it lacks the necessary *bona fide* intention to use.

DECISION

Section 5(2)(b)

10) Section 5(2)(b) of the Act states:

“5. - (2) A trade mark shall not be registered if because –

(a)....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

11) The leading authorities which guide me are from the Court of Justice of the European Union ('CJEU'): *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

12) The comments made by the applicant in the counterstatement about the parties' goods being different and aimed at different markets does not assist it. This is because the opponent has not been put to proof of use meaning that I must take into account the full breadth of goods covered by its registration. In *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited*, Case C- 533/06, the CJEU stated at paragraph 66 of its judgment that when assessing the likelihood of confusion under section 5(2) it is necessary to consider all the circumstances in which the mark applied for might be used if it were registered. Further, marketing strategies are temporal and may change with the passage of time. See for instance, *Devinlec Développement Innovation Leclerc SA v OHIM*, Case C-171/06P, where the Court of Justice of the European Union stated:

“59. As regards the fact that the particular circumstances in which the goods in question were marketed were not taken into account, the Court of First Instance was fully entitled to hold that, since these may vary in time and depending on the wishes of the proprietors of the opposing marks, it is inappropriate to take those circumstances into account in the prospective analysis of the likelihood of confusion between those marks.”

It follows that I am required to make the assessment of the likelihood of confusion notionally and objectively solely on the basis of the goods (and marks) as they appear on paper before me. The actual goods which either party may currently be providing in the marketplace is irrelevant to that assessment.

13) In *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM Case T-133/05) ('*Meric*'), the General Court held:

“29 In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

All of the applicant's goods in class 25 are encapsulated by the opponent's specification in class 25. The respective goods are therefore identical in accordance with the *Meric* principle.

Average consumer and the purchasing process

14) It is necessary to determine who the average consumer is for the respective goods and the manner in which they are likely to be selected. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

15) The average consumer for the goods at issue is the general public. They will be purchased mainly by the eye from retail premises or websites. That is not to say though that the aural aspect should be ignored since the goods may sometimes be the subject of discussions with retail staff, for example. The cost of the goods is likely to vary. However, factors such as size, colour, pattern or suitability for purpose/occasion are likely to be taken into account by the consumer in relation to all of the goods; even those at the lower end of the cost scale. I find that, generally speaking, an average (normal) degree of attention is likely to be paid during the purchase.

Comparison of marks

16) The applicant's comments made in the counterstatement about the use it makes of its mark with the image of the 'head of a pineapple' is not something I can take into account. In approaching the assessment of similarity of the marks and likelihood of confusion, I must do so on the basis of the applicant's mark, as applied for, and the opponent's mark, as it appears on the register. In this regard, the following comments of the Court of Appeal in *L'Oreal SA v Bellure NV* [2008] R.P.C. 9 are pertinent:

"The test is, and must be, founded on the mark as registered, not material which forms no part of that. There is simply no warrant in the Directive for taking more than the registered mark into account. The global appreciation test does not amount to the proposition that once a registered mark is used in marketing, anything, extraneous to the mark used in marketing, comes in too—as though it formed part of the registered mark."

Accordingly, the marks to be compared are:

PINEAPPLE v PINEAPPLE HEAD

17) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

It would therefore be wrong to artificially dissect the marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

18) The overall impression of the opponent’s mark lies solely in the single word PINEAPPLE. Turning to PINEAPPLE HEAD, I find that neither of those words materially dominates the mark.

19) Both marks contain the word PINEAPPLE. The applicant’s mark also contains the word HEAD as the second word within that mark. It is a general rule of thumb that the beginnings of marks will tend to have the greatest impact on the perception, both visually and aurally. I find that to be the case here given that PINEAPPLE is visually prominently positioned at the beginning of the mark (a prominence which is emphasised further by that word being much longer than the word HEAD) and, from the aural perspective, takes up the first two of the three syllables in the applicant’s mark. I find a good degree of both visual and aural similarity. Conceptually, the opponent’s mark will immediately be perceived as the well-known tropical fruit. I find that the applicant’s mark will be perceived as the head of the same well-known

tropical fruit. In my view, this renders the respective marks highly similar from a conceptual perspective.

Distinctive character of the earlier mark

20) The distinctive character of the earlier mark must be considered. The more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion (*Sabel BV v Puma AG*). In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

21) From an inherent perspective, PINEAPPLE is a very well-known word with which the average consumer will be very familiar. However, it is not a word which describes or alludes to the goods covered by the opponent’s registration in any way. I find that it has a normal (average) degree of inherent distinctiveness in relation to clothing,

footwear and headgear. Turning to the evidence of use, which focuses on the position in the UK, I find that the inherent distinctiveness of the mark has been elevated to a high degree in respect of dancewear and leisure clothing more generally. The turnover figures in the UK are substantial in the years leading up to the relevant date, the opponent's clothing has been stocked in major retailers throughout the UK for a considerable period and it has advertised in various well known fashion publications such as Vogue. The goods sold and advertised include dancewear but also casual fashion wear such as women's dresses, tops and fashion jumpsuits.

Likelihood of confusion

22) I must now feed all of my earlier findings into the global assessment of the likelihood of confusion, keeping in mind the following factors: i) the interdependency principle, whereby a lesser degree of similarity between the goods may be offset by a greater similarity between the marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*); ii) the principle that the more distinctive the earlier mark is, the greater the likelihood of confusion (*Sabel BV v Puma AG*), and; iii) the factor of imperfect recollection i.e. that consumers rarely have the opportunity to compare marks side by side but must rather rely on the imperfect picture that they have kept in their mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*).

23) The respective goods are identical. The marks are visually and aurally similar to a good degree and conceptually highly similar. In terms of the distinctiveness of PINEAPPLE, I concluded that it has a normal degree of inherent distinctiveness which has been elevated to a high degree in relation to dancewear and casual clothing more generally. Taking all of these factors together, and reminding myself that the average consumer rarely has the opportunity to compare marks side by side, I find that, an average consumer paying an average degree of attention during a mainly visual purchase is likely, through imperfect recollection, to mistake one mark for the other; there is a likelihood of direct confusion. Even if that is not the case, I find that the similarities between the marks is such that the average consumer is likely to believe that the applicant's mark is another brand or sub-brand of the opponent such that there is a likelihood of indirect confusion.

Section 3(6)

24) Section 3(6) of the Act states:

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

25) Section 32 of the Act is also relevant. It reads as follows:

“32. - (1) An application for registration of a trade mark shall be made to the registrar.

(2) The application shall contain

- (a) a request for registration of a trade mark,
- (b) the name and address of the applicant,
- (c) a statement of the goods or services in relation to which it is sought to register the trade mark, and
- (d) a representation of the trade mark.

(3) The application shall state that the trade mark is being used, by the applicant or with his consent, in relation to those goods or services, or that he has a *bona fide* intention that it should be so used.”

26) The law in relation to this section of the Act was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch), as follows:

“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).”

27) I also note the decision of Mr Geoffrey Hobbs Q.C., in *Demon Ale Trade Mark* [2000] RPC 345 (BL O/341/99), which although involved different facts to the case before me, nevertheless indicates that the breach of a statutory requirement under section 32 may be enough to constitute bad faith. He stated (my emphasis):

“I do not think that section 3(6) requires applicants to submit to an open-ended assessment of their commercial morality. However, the observations of Lord Nicholls on the subject of dishonesty in *Royal Brunei Airlines Sdn Bhd v. Philip Tan* [1995] 2 A.C. 378 (PC) at page 389 do seem to me to provide strong support for the view that a finding of bad faith may be fully justified even in a case where the applicant sees nothing wrong in his own behaviour.

In *Gromax Plasticulture Ltd v. Don & Low Nonwovens Ltd* [1999] R.P.C. 367 Lindsay J. said (page 379):

“I 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.”

These observations recognise that the expression "bad faith" has moral overtones which appear to make it possible for an application for registration to be rendered invalid under section 3(6) by behaviour which otherwise involves no breach of any duty, obligation, prohibition or requirement that is legally binding upon the applicant. Quite how far the concept of "bad faith" can or should be taken consistently with its Community origins in Article 3(2)(d) of the Directive is a matter upon which the guidance of the European Court of Justice seems likely to be required: *Road Tech Computer Systems Ltd v. Unison Software (U.K.) Ltd* [1996] F.S.R. 805 at pages 817, 818 *per* Robert Walker J.

In the present case the objection under section 3(6) related to the applicant's breach of a statutory requirement. Section 32(3) of the Act required him to be a person who could truthfully claim to have a bona fide intention that DEMON ALE should be used (by him or with his consent) as a trade mark for beer. His application for registration included a claim to that effect. However he had no such intention and could not truthfully claim that he did. That was enough, in my view, to justify rejection of his application under section 3(6).”

28) The opponent’s case is that the applicant, PINEAPPLE HEAD, does not appear to be a legal entity capable of holding property or having a *bona fide* intention to use the mark. Mr Tasker has provided evidence of a search from Companies House showing that the applicant does not appear to be a registered company. He states that it appears the application has been made in the name of the trade mark itself which is not a legal person.

29) The applicant has said nothing in response to these allegations, neither in the counterstatement nor in response to the opponent's evidence. There is no denial in the counterstatement of the opponent's claim nor is there any evidence in response to the opponent's evidence to show that the applicant is, in fact, a registered company nor any explanation or other evidence that may have satisfied me that the applicant is some other kind of legal person capable of holding property such as a partnership (for example)⁵.

30) In the circumstances, I find that the opponent has established a *prima facie* case that the applicant is not (and was not, at the date of application) a legal entity capable of holding property and therefore could not, in accordance with the statutory requirement under section 32, truthfully claim to be a person with the requisite *bona fide* intention to use the trade mark. The applicant has failed to answer the opponent's *prima facie* case. I find that the application was made in bad faith and the ground under section 3(6) succeeds.

Other grounds

31) In the light of the opponent's success under sections 5(2)(b) and 3(6) of the Act, I do not consider it necessary to also consider the other grounds of opposition under sections 5(3) and 5(4)(a).

Outcome

32) The opposition succeeds and the application is refused.

Costs

33) As the opponent has been successful, it is entitled to a contribution towards its costs. Using the guidance in Tribunal Practice Notice 2/2016, I award the opponent costs on the following basis:

⁵ See, in this connection, The Manual of Trade Marks Practice, pages 8-9, which lists the different kinds of legal persons that are able to file an application for a trade mark.

Preparing a statement and considering the other sides' statement	£300
Official fee (Form TM7)	£200
Preparing evidence	£500
Written submissions	£500
Total:	£1500

34) I order Pineapple Head to pay Pineapple Holdings Limited the sum of **£1500**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 07th day of March 2018

**Beverley Hedley
For the Registrar,
the Comptroller-General**