

O-171-19

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION Nos. 3220583 & 3220551

BY THANDI COACHES LIMITED

TO REGISTER AS TRADE MARKS IN CLASS 39

thandi executive coaches

AND

thandi coaches

AND

IN THE MATTER OF CONSOLIDATED OPPOSITIONS

THERE TO UNDER Nos. 409658 & 409659 BY

MIBBO SINGH THANDI

AND

IN THE MATTER OF REGISTRATION No. 2389858

STANDING IN THE NAME OF

MIBBO SINGH THANDI

AND

IN THE MATTER OF REQUESTS FOR A DECLARATION

OF INVALIDITY THERE TO UNDER No. 501950

BY

SUKHI SINGH

BACKGROUND

1) On 23 March 2017, Thandi Coaches Limited (hereinafter TCL) applied to register the trade mark “thandi executive coaches” in respect of the following services in Class 39:

Accompaniment of travellers; Accompanying of travellers; Advisory services relating to road transportation; Arrangement of excursions; Arrangement of passenger transport; Arrangement of sightseeing tours; Arrangement of transportation of people; Arrangement of transportation of travellers; Arrangement of travel; Arrangements for transportation by land, sea and air; Arranging and booking of city sightseeing tours; Arranging and booking of day trips; Arranging and booking of excursions; Arranging and booking of excursions and sightseeing tours; Arranging and booking of sightseeing tours; Arranging and booking of tours; Arranging and booking of travel; Arranging and booking of travel for package holidays; Arranging for the transportation of passengers; Arranging of coach tours; Arranging of coach travel; Arranging of day trips; Arranging of tours by bus; Arranging of tours by coach; Arranging of transport; Arranging of transport and travel; Arranging of travel; Arranging of travel by bus; Arranging of travel by coach; Arranging of travel tours; Arranging travel tours; Booking of transport; Bus transport; Bus transport services; Coach hire; Coach transport; Coach transport services; Coach transportation services; Hiring of transport vehicles; Hiring of vehicles; Motor coach rental; Organisation of holiday travel; Organisation of sightseeing tours; Organization of sightseeing tours; Rental of coaches; Rental of commercial vehicles.

2) The application was examined and accepted, and subsequently published for opposition purposes on 31 March 2017 in Trade Marks Journal No.2017/013.

3) On 30 June 2017 Amardeep Thandi (hereinafter AT) filed a notice of opposition, subsequently amended. The opponent is the proprietor of the following trade mark:

Mark	Number	Dates of filing & date of registration	Class	Specification
THANDI	UK 2389858	20.04.05 14.10.05	39	Bus and coach services; transportation services relating to freight; skip hire services.

4) On 9 May 2018 the trade mark 2389858 was assigned from Amardeep Thandi (AT) to Mibbo Singh Thandi (MST). The usual assurances regarding the case, evidence and costs were received from MST and so he replaces AT as the opponent.

5) The amended grounds of opposition are in summary:

- a) AT contends that the mark applied for and its mark are similar and that the services applied for are similar to those for which its mark is registered. As such it contends that the application offends against Section 5(2)(b) of the Act.
- b) AT contends that his father was a founding partner of Thandi Coaches, and that, as part of a deed of dissolution the applicant and his family had no right to use the name Thandi Coaches and had covenanted with the opponent's father that none of the previous partners would use any name for his business which is the same or similar with Thandi Coaches. As such it contends that the application offends against Section 3(6) of the Act.
- c) AT has used the name THANDI COACHES since May 1985 in respect of coach and bus services throughout the Midlands. Originally there were five partners; namely P.K. Sadhra, plus four brothers: Mibbo Thandi (the opponent's father); Jasbir Thandi (the applicant's father); Kaka Thandi and Jernail Thandi. Following a dispute with Ms Sadhra the partnership dissolved in 1991 and Mibbo Thandi continued to develop the business and had exclusive use of the name THANDI COACHES as per the Partnership Agreement. As such the application offends against section 5(4)(a) of the Act.

6) On 6 September 2017 TCL filed a counterstatement which basically denies all the grounds and puts AT to proof of use. The applicant differentiates between bus services, coach services and freight transport stating that all three are very different services. TCL contends that the name was first used by an unincorporated business comprising three brothers, one of whom was the opponent's father; another being the father of the sole director of the applicant company (Mr Sukhi Singh). This business went into liquidation in 1991 with the assets being

auctioned off. It is claimed that Mr Singh then started a new business THANDI COACHES which was incorporated on 14 September 2011. The company is said to have provided coach services, school bus transport, private hire and coach tours. TCL also trades under a second company, Thandi Transport Limited which specialises in the operation of local bus routes on behalf of local councils. The marks THANDI COACHES and THANDI EXECUTIVE COACHES have been used for some time by Thandi Coaches and Thandi Transport and have legal permits and licences issued to them to operate under the names Thandi Coaches and Thandi Transport. TCL states that MST and TCL operate from depots in Birmingham in full sight of each other and have done so for many years; and that MST has been fully aware of the use of Thandi Coaches and Thandi Executive Coaches by the applicant over the years and has never objected to the use. TCL contends there has been co-existence between the parties for many years.

7) On 23 March 2017, TCL also applied to register the trade mark “thandi executive coaches” in respect of the following services in Class 39: Accompaniment of travellers; Accompanying of travellers; Advisory services relating to road transportation; Advisory services relating to transport; Agency services for arranging cruises; Agency services for arranging the transportation of persons; Agency services for arranging the transportation of travellers; Agency services for arranging the transportation of travellers' luggage; Agency services for arranging tours; services for arranging travel; Agents for arranging travel; Air navigation services; Air passenger transport services; Arrangement of passenger transport; Arrangement of sightseeing tours; Arrangement of taxi transport; Arrangement of tours; Arrangement of transport; Arrangement of transportation; Arrangement of transportation of people; Arrangement of travel; Arrangements for transportation by land, sea and air; Arranging and booking of city sightseeing tours; Arranging and booking of cruises; Arranging and booking of day trips; Arranging and booking of excursions; Arranging and booking of excursions and sightseeing tours; Arranging and booking of sightseeing tours; Arranging and booking of tours; Arranging and booking of travel; Arranging and booking of travel for package holidays; Arranging and conducting of tours and sightseeing; Arranging and providing transport by land, sea and air; Arranging car hire as part of package holidays; Arranging escorts for travellers; Arranging excursions for tourists; Arranging ferry transportation; Arranging of air transport;

Arranging of air travel; Arranging of coach tours; Arranging of coach travel; Arranging of day trips; Arranging of excursions; Arranging of excursions as part of package holidays; Arranging of excursions, day trips and sightseeing tours; Arranging of holiday transport; Arranging of overseas travel for cultural purposes; Arranging of passenger transport; Arranging of sightseeing tours; Arranging of sightseeing tours and excursions; Arranging of sightseeing tours as part of package holidays; Arranging of tour guides; of tours; of tours and cruises; of tours by bus; Arranging of tours by coach; Arranging of transport; Arranging of transport and travel; Arranging of travel; Arranging of travel by bus; Arranging of travel tours; of vehicle hire; Arranging transportation of passengers; Arranging travel tours.

8) The application was examined and accepted, and subsequently published for opposition purposes on 7 April 2017 in Trade Marks Journal No.2017/014.

9) On 30 June 2017 Amardeep Thandi (hereinafter AT) filed a notice of opposition, subsequently amended. The grounds of opposition are precisely as filed earlier (paragraphs 3 & 4 above refer).

10) On 6 September 2017 TCL filed a counterstatement which basically denies all the grounds and puts AT to proof of use. TCL makes the same submissions as those summarised above in paragraph 5 above.

11) By an application dated 26 January 2018 Sukhi Singh (SS) applied to invalidate trade mark 2389858 (see paragraph 3 above). The invalidity was based upon the following:

- a) SS contends that in 1992 he started a business under the name THANDI COACHES operating long distance scheduled coach services, coach and bus hire and passenger transport services and a local bus service. SS worked as a sole trader and then under Thandi Coaches Ltd. At all times SS has been the “driving force” of the business. As a result of this continuous use SS has acquired goodwill and reputation under the name THANDI COACHES. As such use of the mark in suit would offend against section 5(4) of the Act.

b) Further, as a member of the family AT would have been aware of the use made of the mark THANDI by SS and so the mark in suit was registered in bad faith and offends against section 3(6) of the Act.

12) AT provided a counterstatement, dated 29 March 2018, denying all the grounds of invalidity stating that his father had been using the mark THANDI in respect of coach services since 1988 and as such had goodwill and reputation prior to SS and therefore both the grounds of invalidity must fail.

13) Both parties filed evidence and both seek an award of costs in their favour. The matter came to be heard on 14 March 2019 when Mr Stacey of Messrs Baron Warren Redfern represented TCL and SS; AT was not represented but did provide written submissions which I shall take into account as and when required.

AT's Evidence

14) AT filed one witness statement, dated 13 June 2018, by Mibbo Singh Thandi. He states that on 3 May 1985 Thandi Coaches began to operate a coach service in London and Birmingham. It was a partnership of four brothers (MST, Jasbir Thandi (father of Sukhi Singh) Kaka Thandi and Jarnail Thandi) together with Ms Pritpal Kaur Sadhra. Due to a dispute with Ms Sadhra the business made losses and the London business dissolved. Jarnail Thandi went to Canada, Jasbir Thandi worked as a driver at Birmingham Coaches Ltd, Kaka Thandi continued to operate in London as Thandi Coaches but ceased trading after a short time. MST continued the Birmingham operation under the name THANDI COACHES. He has used the name for thirty years without any objection from his siblings. He states that he instructed his son to register the mark in 2005. He provides the following exhibits:

- MST1a: Notifications from the Department of Transport, dated September 1988 referring to the four brothers and Ms Sadhro [sic] trading as Thandi Coaches.

- MST2: This is unreadable
- MST3: A letter, dated May 1990, addressed to MST from the Vehicle Inspectorate informing him of an intention to inspect the maintenance system. It does not reference Thandi Coaches.
- MST4: Copies of two advertisements in local Midlands newspapers dated August 1995 regarding the coach services between London, Kent and the Midlands offered by Thandi Coaches.
- MST5: A timetable from 2012, which shows regular services between Kent, London and the Midlands; various towns and cities in the Midlands and Bradford. It is a joint venture between Thandi Coaches and Evergreen Coaches, and also shows coach services to various cities in Europe. These same routes continue to be in use as at the date of the statement.
- MST6: The front of a Loughborough brochure, dated 2006 which mentions services from Loughborough and shows a picture of a coach liveried “thandicoaches” mentioning the telephone number and website.
- MST7: Copies of daily timetables for coaches travelling around the Midlands and down to London and Kent, dated August 2003, with THANDI COACHES in large font at the head of each timetable.
- MST8: A copy of an invoice, dated 26 March 2010, in respect of £29,120 in the name of Thandi Coaches from Sunrise Radio in Yorkshire regarding advertising the coach service in 2,912 “slots”.
- MST9: A copy of a coach timetable, dated June 1994, offering services between the Midlands and London under the Thandi name.

- MST10: An article from Route magazine, dated 19 April 2007, which states that Thandi Coaches purchased the first of a new type of coach.
- MST11: A copy of a coach timetable, dated 5 April 1988, offering services between the Midlands and London; and also from the Midlands to Northern towns such as Leeds and Bradford.
- MST12: A copy of a domain name dispute finding in favour of AT. MST alleges that a former employee of his company, Gurdeep Singh, who was dismissed for dishonesty was then employed by SS and forged documents to obtain control of various domain names owned by MST and his son, AT. WIPO restored ownership of these domain names to MST and AT. The documentation requesting the original transfer of the domain names was written on headed notepaper from Thandi Coaches and contained passwords etc which could only be known by an insider. The signature of AT was forged on the letter. A copy of the documentation is provided at exhibit MST 14.
- MST15 a & b: MST alleges that he also employed Mr Sanu Kapur for approximately 15 years as a Transport Manager, in which position he had details of every client of Thandi Coaches. He was headhunted by SS and shortly after all clients of Thandi Coaches received emails informing them that the contact details of Thandi Coaches had changed. The emails went out in the name of Thandi Executive Coaches. It was only after MST was contacted by clients that they realised what had happened and sent out emails informing clients that the earlier correspondence was fraudulent.

EVIDENCE OF TCL / SS

15) TCL/SS filed two witness statements. The first, dated 11 July 2018, is by Jasbir Thandi the father of Sukhi Singh the sole director of Thandi Coaches Limited. He states that he is authorised to make the statement on behalf of Thandi Coaches Limited and confirms that he is also the brother of MST. He confirms that in 1985 he and his brothers along with Ms Sadhra operated a business under the name Thandi Coaches. Following a dispute with Ms

Sadhra the business went bankrupt, but he denies signing away any rights to the name. He states that in 1991 his son, Sukwant Singh Thandi, set up his own coach service company trading under the Thandi name. At the same time Jasbir Thandi's other son, Ajmar Singh, set up a business called RestAndRide Birmingham Ltd along with MST. He claims that RestAndRide co-operated with Thandi Coaches and that both had the same logo on their coaches effectively promoting it as a single company. He states that MST was also involved in another company, Transol Limited which he contends also used the Thandi name on its coaches and that this company went into liquidation in 1995. He provides the following exhibits:

- JT03: A copy of an operators' licence issued by the Department of Transport which shows the company REST AND RIDE (BIRMINGHAM) LIMITED as having its licence revoked in August 2011. The directors are shown on the document as Thandi Ajmar Singh and M S Thandi, it also mentions that the company operates 20 vehicles in the West Midlands region with its base at the Bus Depot, Alma St, Smethwick Birmingham.
- JT04: A copy of the Companies House website which shows that the company Transol Limited was incorporated on 8 February 1990 and that its accounts were overdue as of March 1994 and that the company has been liquidated. It shows MST as a director.
- JT05: Copies of pages from social media where bus enthusiasts discuss memories of bus and coach companies. There are a couple of posts which mention that Thandi had a number of incarnations such as RestAndRide, MCB1 and Transol.

16) The second witness statement, dated 13 July 2018, is by Sukhi Singh (who states that his full name is Sukwant Singh) the sole director of Thandi Coaches Limited. He states that his uncle, MST, formed two companies Transol Limited and Rest & Ride (Birmingham) Ltd which both used the name Thandi. SS states that in 1991 he set up his own business under the Thandi name, operating a local bus service as well as coaches travelling from the West Midlands to London and West Midlands to Bradford. He states that as time went by he added vehicles and consequently added additional routes. In addition to local bus services, regular

coach services he also offers coach hire and school bus services. He states that MST, and indeed the whole of his family, knew of his use of the name Thandi and he knew of his uncle's use. Both co-existed in the West Midlands market place for transport services. He confirms that for approximately five years in the mid-1990s the two parties in the instant case co-operated and had the same livery upon their vehicles, they also shared advertising flyers and telephone numbers. He states that the operation of a local bus service in and around Walsall is done under the name Thandi Transport Limited and the vehicles have the name THANDI on the side of them. Further, the coach services (both regular routes and private hire, school buses, wedding transport etc) are all carried out in vehicles which have the name THANDI upon them. He states that the two parties depots are so close that they can almost see the others depot. He states that at no time has anyone in the family questioned his use of the name THANDI in his bus and coach business. He provides the following exhibits

- SST02: A flyer from April 1991 stating that Thandi Coaches were offering a new service from the West Midlands to London.
- SST03: These are copies of various documents which show that SS held a vehicle operator's licence under his own name as a sole trader trading as ST Buses until it was revoked in 2012. Other pages show bus registrations being revoked over the years, but none show use of Thandi Coaches or similar.
- SST04: Copies of official documents which show a Public Service Vehicle Operators Licence in the name of Thandi Transport Ltd and also 12 bus registrations in the same name.
- SST05: Copies of official documents which show a Public Service Vehicle Operators Licence in the name of SUKHI SINGH THANDI COACHES LTD, issued on 7 September 2016 with 22 authorised vehicles.
- SST06: A picture said to date from 1991 showing a bus with the words THANDI TRAVEL upon it. A flyer from May 1996 which shows Thandi Coaches offering a new

service between the Midlands and Leeds/Bradford. The picture shows a coach with THANDI TRAVEL on the side.

- SST08: Two photographs (undated) which shows a number of buses with the name THANDI written upon them; also shown in one photograph are MST and SS standing next to each other.
- SST10 & 11: Pages from a variety of “bus spotter” websites such as www.wmbusphotos.com which show a number of iterations of livery of SS owned buses and coaches THANDI EXECUTIVE is used on a number of buses and coaches in 2009, 2010, 2013 & 2016; THANDI is used on buses and coaches in 2014-2018 inclusive.
- SST12: A google map showing both depots which would appear to be approximately a mile apart.
- SST13: Pages from the Thandi Coaches website (www.thandicoachesuk.com) which SS states has been operational since October 2006 when it was registered.

EVIDENCE OF MST IN REPLY

17) MST filed two witness statements. The first, dated 10 September 2018, is by Kaka Thandi one of the partners in the original business. He states that MST applied for a Coach Transport Operators licence in his name only, and once granted he allowed the partnership to use the licence. He confirms that the partnership was dissolved and the business liquidated. He states that MST then started again in the coach and bus business using the name THANDI COACHES even when his company was called Transol Ltd. He states:

“18. It was accepted by all of us that the name THANDI Coaches was only to be used by Mibbo Thandi no one else, since he was the only person who traded in that name when everyone else had left.”

18) Mr K Thandi claims that SS made false claims in his witness statement dated 13 July 2018. The claim that SS operated a timetable shown at SS06 is, he says, false. He states that the bus shown in the photograph was owned by the partnership and sold when it dissolved. He also states that the route shown at exhibit SSt02 was being operated by New Bharat Coaches.

19) The second witness statement, dated 10 September 2018, is by MST who has previously provided evidence in this case. He states that Jasbir Thandi lied when stating that he drove buses for his son SS in 1991 as he states that HRMC records will show his only employment during the years 1990-1994 inclusive was as a driver for Birmingham Coaches Ltd. He simply denies claims of co-existence stating: "There was no co-operation between RestAndRide Birmingham Ltd and Sukhi Singh". He does not address the statements made regarding livery etc.

EVIDENCE OF TCL / SS IN REPLY

20) Four witness statements were filed by way of reply. The first two, dated 27 September 2018 and 18 October 2018, are by Jasbir Thandi who has previously provided evidence in this case. He states that he did work for his son by driving on his days off. He denies agreeing not to use the name THANDI following the liquidation of the partnership.

21) The third and fourth witness statements, dated 4 September 2018 and 18 October 2018, are both by SS who has previously provided evidence in this case. He again refers to the period of co-existence when both companies used the same livery. Whilst admitting to sending out emails to many of MST's clients SS claims that this was simply his company sending out a flyer to potential customers such as schools etc. He denies the accusations of sabotage.

22) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

23) I shall first deal with the invalidity claim as if it is successful then the oppositions would fall away. The invalidity is brought under Section 47 of the Trade Marks Act 1994 ("The Act") which reads:

“47. - (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) The registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(2A) But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

- (b) the registration procedure for the earlier trade mark was not completed before that date, or
- (c) the use conditions are met.

(2B) The use conditions are met if –

- (a) within the period of five years ending with the date of the application for the declaration the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes –

- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
- (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Union.

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c)

(3) An application for a declaration of invalidity may be made by any person, and may be made either to the registrar or to the court, except that-

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(4) In the case of bad faith in the registration of a trade mark, the registrar himself may apply to the court for a declaration of the invalidity of the registration. (5) Where the grounds of invalidity exists in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

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

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

24) The first ground of invalidity is under Section 5(4)(a) which 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, 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.”

25) In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court conveniently summarised the essential requirements of the law of passing off as follows:

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

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

26) Whilst Halsbury’s Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

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

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are 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.”

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

“27. There is one major problem in assessing a passing of claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised

the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX) (1946) 63 R.P.C. 97* as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

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

28) However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

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

29) There is clear evidence that the marks have existed side by side for some time with no problems. SS contends that he has used the mark THANDI COACHES since 1992 and so has acquired goodwill and reputation in the mark such that use of mark 2389858 which was applied for in April 2005 would cause misrepresentation. However, in his numerous witness

statements SS has also claimed that both parties in the instant dispute had a period of co-operation and co-existence in the mid-1990s when both used the same livery and both used the name THANDI upon bus and coach services. Subsequently they have been aware of the existence of the other, operating in the same business with depots less than a mile apart. Both sides have shown evidence of a concurrent goodwill. I take into account the remarks of Oliver LJ in *Habib Bank Ltd v Habib Bank AG Zurich* [1982] RPC at 24:

“Where you find that two traders have been concurrently using in the United Kingdom the same or similar names for their goods or businesses, you may well find a factual situation in which neither of them can be said to be guilty of any misrepresentation. Each represents nothing but the truth, that a particular name or mark is associated with his goods or business.”

30) I note that as part of the submissions provided by SS in defence of its applications 3220551 and 3220583 SS contends:

“12. The continuous use has been made in relation to bus services, coach services, school bus, private hire coaches. The use includes a period of cooperation in the mid-1990s with Rest & Ride (Birmingham) Limited – Para 13 of first Sukhi Singh Statement plus Exhibits SST07 – SST09.

13. The parties have operated from depots barely 1 mile apart, and in full sight of each other – exhibit SST12 (Pages 118-119). The use by the Applicant and/or its predecessors in title involve local bus services with very prominent and public use of the THANDI name and mark – see Exhibit SST10 (Pages 97 to 112), Exhibit SST11 (Pages 113 to 117).”

AND:

“20. The very long term use side by side with the Opponent’s business Sukhi Singh and successors gave rise to the reasonable assumption of an informed consent to his use and the ongoing development of his business under the THANDI brand. To be forced to

cease use now would cause substantial damage to the Applicant's business. In allowing the Applicant's use to continue throughout the period pleaded under Section 5(2) and Section 5(4)(a), this encouraged the Applicant to continue developing its business under the THANDI name and mark, to the extent that the conduct now makes the complaint now made to be **unconscionable.**"

31) Whilst this co-existence has not been admitted by MST, as it is asserted by SS it completely undermines his claim that there would be misrepresentation. If both parties have agreed to use the name THANDI and the same livery on their vehicles then SS has accepted that MST has a right to use the mark THANDI and has willingly accepted said use for a number of years. **The ground of invalidity under section 5(4)(a) fails.**

32) The second ground of invalidity is under section 3(6) which reads:

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

33) 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), 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)."

34) I also note that in the *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07, the CJEU stated that:

"46.....the fact that a third party has long used a sign for an identical or similar product capable of being confused with the mark applied for and that that sign enjoys some degree of legal protection is one of the factors relevant to the determination of whether the applicant was acting in bad faith".

47. In such a case, the applicant's sole aim in taking advantage of the rights conferred by a Community trade mark might be to compete unfairly with a competitor who is using the sign which, because of characteristics of its own, has by that time obtained some degree of legal protection.

48. That said, it cannot be excluded that even in such circumstances, and in particular when several producers were using, on the market, identical or similar signs for identical or similar products capable of being confused with the sign for which registration is sought, the applicant's registration of the sign may be in pursuit of a legitimate objective.

49. That may in particular be the case.....where the applicant knows, when filing the application for registration, that a third party, who is a newcomer in the market, is trying to take advantage of that sign by copying its presentation, and the applicant seeks to register the sign with a view to preventing use of that presentation.

50. Moreover.....the nature of the mark applied for may also be relevant to determining whether the applicant is acting in bad faith. In a case where the sign for which registration is sought consists of the entire shape and presentation of a product, the fact that the applicant is acting in bad faith might more readily be established where the competitor's freedom to choose the shape of a product and its presentation is restricted by technical or commercial factors, so that the trade mark proprietor is able to prevent his competitors not merely from using an identical or similar sign, but also from marketing comparable products.

51. Furthermore, in order to determine whether the applicant is acting in bad faith, consideration may be given to the extent of the reputation enjoyed by the sign at the time when the application for registration as a Community trade mark is filed.

52. The extent of that reputation might justify the applicant's interest in ensuring wider legal protection for his sign.”

35) This ground was pursued on the basis that MST was aware of SS's long standing reputation in the mark THANDI at the time that the mark was applied for in 2005. However, according to his own testimony, SS colluded with MST in the use of the mark THANDI by MST in the mid-1990s. Having accepted that MST had used the mark in the 1990s, with the effective consent of SS (insofar as he did not object) one cannot reasonably contend that in 2005 the mark was filed in bad faith. **The ground of invalidity under section 3(6) fails.**

36) I now turn to the oppositions filed by MST against applications 3220583 & 3220551. The first ground of opposition is under section 5(2)(b) which reads:

“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.”

37) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an “earlier trade mark” means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

38) MST relies upon his trade mark listed in paragraph 3 above which is clearly an earlier trade mark. Given the interplay between the date that MST’s mark 2389858 was registered (14 October 2005 and the date that TCL’s marks were published (31 March 2017 (3220583) and 7 April 2017 (3220551)), the proof of use requirements bite. Section 6 states:

“6A. - (1) This section applies where -

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if -

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

39) Section 100 of the Act states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

40) In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“217. *The law with respect to genuine use* . In *Stichting BDO v BDO Unibank Inc* [2013] EWHC 418 (Ch), [2013] FSR 35 I set out at [51] a helpful summary by Anna Carboni sitting as the Appointed Person in *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439 , Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I added references to Case C-416/04 *P Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237). I also referred at [52] to the judgment of the CJEU in Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16 on the question of the territorial extent of the use. Since then the CJEU has issued a reasoned Order in Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and that Order has been persuasively analysed by Professor Ruth Annand sitting as the Appointed Person in *SdS InvestCorp AG v Memory Opticians Ltd* (O/528/15).

218. An important preliminary point to which Prof Annand draws attention in her decision is that, whereas the English versions of Articles 10(1) and 12(1) of the Directive and Articles 15(1) and 51(1)(a) of the Regulation use the word “genuine”, other language versions use words which convey a somewhat different connotation: for example, “ernsthaf” (German), “efectivo” (Spanish), “sérieux” (French), “effettivo” (Italian), “normaal” (Dutch) and “sério/séria” (Portuguese). As the Court of Justice noted

in *Ansul* at [35], there is a similar difference in language in what is now recital (9) of the Directive.

219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bundesvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

41) MST must show use of its mark in the periods 01.04.12 - 31.03.17 (3220583) and 08.04.12 – 07.04.17 (3220551). The only evidence which sits within these periods is a timetable of

coach routes provided at MST5. It is stated that this is a timetable which began in 2012 and continues to date. The paucity of the evidence is stark, when one considers what could have been provided such as copies of operators' licences for the relevant period, number of vehicles operated/ licensed, details of turnover, passengers carried, private hires, recent advertising, copies of maintenance schedules of vehicles, number of employees etc. Whilst it is clear from the counterstatement and indeed all the evidence filed by the other side that they accept that a coach route service is being operated, they did put MST to strict proof of use. **The evidence is nowhere near sufficient to overcome the proof of use hurdle and so the oppositions must fail.**

42) Despite the above finding, for the sake of completeness I will continue to consider the oppositions as though I had found that MST had indeed operated a regular coach service between towns in the Midlands and also between said Midlands towns and London and Bradford.

43) When considering the issue under section 5(2)(b) I take into account the following principles which are gleaned from the decisions of the EU courts in *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.

(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.

The average consumer and the nature of the purchasing decision

44) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' services. I must then determine the manner in which these services are likely to be selected by the average consumer in the course of trade. 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.”

45) The services at issue in these proceedings are all relating to transport, including local bus routes, coach services between towns and cities, private hire coaches and buses for functions such as weddings and school bus services. The average consumer for such services will be the public at large (including businesses and local authorities). Such services will be advertised in newspapers and magazines, by use of flyers, on the internet and in various directories. Local bus routes may be advertised on the actual bus stop simply with details of the times of buses and details of the route rather than the actual provider, so the level of **attention paid to the actual provider will vary from local bus services (low) to private hire coaches (medium). The selection will be mostly visual although word of mouth recommendations mean that aural considerations must also be taken into account.**

Comparison of trade marks

46) 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 them, 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.”

47) It would be wrong, therefore, to artificially dissect the trade 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 them. The trade marks to be compared are:

MST's trade mark	TCL's trade marks
Thandi	(3220583) thandi executive coaches (3220551) Thandi coaches

48) Clearly both marks contain the same first word “Thandi” which will be seen for what it is, the name of the operator. The only difference in the marks are that TCL’s have the descriptive terms “executive coaches / coaches” which given that TCL’s marks are in relation to, broadly

speaking, bus and coach services would not be regarded by the average consumer as an indication of origin. **The marks are therefore highly similar, almost identical.**

Distinctive character of the earlier trade mark

49) 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).”

50) MST has effectively provided no evidence of use of its mark such as turnover, number of routes serviced, passengers carried etc. MST’s **mark cannot benefit from enhanced distinctiveness through use.** MSTs mark consists of the word THANDI. It is not descriptive of the services and will be seen as the name of the founder of the business. **To my mind, the earlier mark is of low average inherent distinctiveness.**

Comparison of services

51) When making the comparison, all relevant factors relating to the services in the specifications should be taken into account. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*, the CJEU stated at paragraph 23 of its judgement:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

52) Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be, found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market

research companies, who of course act for industry, put the goods or services in the same or different sectors.

53) In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) OHIM*) case T-133/05, the General Court (“GC”) stated:

“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 T110/01 *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).”

54) In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

55) I also note that in *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated that:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be

confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

56) The services to be compared are as follows:

MST: Bus and coach services; transportation services relating to freight; skip hire services.

TCL 3220583: Accompaniment of travellers; Accompanying of travellers; Advisory services relating to road transportation; Arrangement of excursions; Arrangement of passenger transport; Arrangement of sightseeing tours; Arrangement of transportation of people; Arrangement of transportation of travellers; Arrangement of travel; Arrangements for transportation by land, sea and air; Arranging and booking of city sightseeing tours; Arranging and booking of day trips; Arranging and booking of excursions; Arranging and booking of excursions and sightseeing tours; Arranging and booking of sightseeing tours; Arranging and booking of tours; Arranging and booking of travel; Arranging and booking of travel for package holidays; Arranging for the transportation of passengers; Arranging of coach tours; Arranging of coach travel; Arranging of day trips; Arranging of tours by bus; Arranging of tours by coach; Arranging of transport; Arranging of transport and travel; Arranging of travel; Arranging of travel by bus; Arranging of travel by coach; Arranging of travel tours; Arranging travel tours; Booking of transport; Bus transport; Bus transport services; Coach hire; Coach transport; Coach transport services; Coach transportation services; Hiring of transport vehicles; Hiring of vehicles; Motor coach rental; Organisation of holiday travel; Organisation of sightseeing tours; Organization of sightseeing tours; Rental of coaches; Rental of commercial vehicles.

TCL 3220551: Accompaniment of travellers; Accompanying of travellers; Advisory services relating to road transportation; Advisory services relating to transport; Agency services for arranging cruises; Agency services for arranging the transportation of persons; Agency services for arranging the transportation of travellers; Agency services for arranging the transportation of travellers' luggage; Agency services for arranging tours; services for arranging travel; Agents for arranging travel; Air navigation services; Air passenger transport services; Arrangement of passenger transport; Arrangement of sightseeing tours; Arrangement

of taxi transport; Arrangement of tours; Arrangement of transport; Arrangement of transportation; Arrangement of transportation of people; Arrangement of travel; Arrangements for transportation by land, sea and air; Arranging and booking of city sightseeing tours; Arranging and booking of cruises; Arranging and booking of day trips; Arranging and booking of excursions; Arranging and booking of excursions and sightseeing tours; Arranging and booking of sightseeing tours; Arranging and booking of tours; Arranging and booking of travel; Arranging and booking of travel for package holidays; Arranging and conducting of tours and sightseeing; Arranging and providing transport by land, sea and air; Arranging car hire as part of package holidays; Arranging escorts for travellers; Arranging excursions for tourists; Arranging ferry transportation; Arranging of air transport; Arranging of air travel; Arranging of coach tours; Arranging of coach travel; Arranging of day trips; Arranging of excursions; Arranging of excursions as part of package holidays; Arranging of excursions, day trips and sightseeing tours; Arranging of holiday transport; Arranging of overseas travel for cultural purposes; Arranging of passenger transport; Arranging of sightseeing tours; Arranging of sightseeing tours and excursions; Arranging of sightseeing tours as part of package holidays; Arranging of tour guides; of tours; of tours and cruises; of tours by bus; Arranging of tours by coach; Arranging of transport; Arranging of transport and travel; Arranging of travel; Arranging of travel by bus; Arranging of travel tours; of vehicle hire; Arranging transportation of passengers; Arranging travel tours.

57) Broadly speaking the services of both parties are identical or similar at least to a medium degree.

Likelihood of confusion

58) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of MST's trade mark as the more distinctive the trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer

for the services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer for the goods is a member of the general public including businesses and local authorities who will select the services by predominantly visual means, although I do not discount aural considerations and that they are likely to pay at least a reasonable degree of attention to the selection of said services.
- the marks of the two parties are highly similar, almost identical.
- MST's mark has a low average level of inherent distinctiveness and cannot benefit from an enhanced distinctiveness through use.
- the services of the two parties are identical or similar to at least a medium degree.

59) It is necessary to consider the likelihood of both direct and indirect confusion. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, Mr Iain Purvis Q.C. as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking

account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

60) In view of all of the above, and allowing for the concept of imperfect recollection there is a likelihood of consumers being confused into believing that the all the services applied for and provided by TCL are those of MST or provided by an undertaking linked to it. **The opposition under Section 5(2) (b) therefore succeeds in respect of all the services applied for by the TCL.**

61) However, TCL claimed that there has been co-existence with both parties using their respective marks on bus and coach services in the same geographical locations based in depots less than a mile apart. In *Aceites del Sur-Coosur SA v OHIM*, Case C-498/07 P, the Court of Justice of the European Union found that:

“82. First, although the possibility cannot be ruled out that the coexistence of two marks on a particular market might, together with other elements, contribute to diminishing the likelihood of confusion between those marks on the part of the relevant public, certain conditions must be met. Thus, as the Advocate General suggests at points 28 and 29 of his Opinion, the absence of a likelihood of confusion may, in particular, be inferred from the ‘peaceful’ nature of the coexistence of the marks at issue on the market concerned.

83. It is apparent from the file, however, that in this case the coexistence of the La Española and Carbonell marks has by no means been ‘peaceful’ and the matter of the similarity of those marks has been at issue between the two undertakings concerned before the national courts for a number of years.”

62) In *Budejovicky Budvar NP v Anheuser-Busch Inc*, Case C-482/09, the Court of Justice of the European Union held that:

“74. In that context, it follows from the foregoing that Article 4(1)(a) of Directive 89/104 must be interpreted as meaning that a later registered trade mark is liable to be declared invalid where it is identical with an earlier trade mark, where the goods for which the trade mark was registered are identical with those for which the earlier trade mark is protected and

where the use of the later trade mark has or is liable to have an adverse effect on the essential function of the trade mark which is to guarantee to consumers the origin of the goods.

75. In the present case, it is to be noted that the use by Budvar of the Budweiser trade mark in the United Kingdom neither has nor is liable to have an adverse effect on the essential function of the Budweiser trade mark owned by Anheuser-Busch.

76. In that regard, it should be stressed that the circumstances which gave rise to the dispute in the main proceedings are exceptional.

77. First, the referring court states that Anheuser-Busch and Budvar have each been marketing their beers in the United Kingdom under the word sign 'Budweiser' or under a trade mark including that sign for almost 30 years prior to the registration of the marks concerned.

78. Second, Anheuser-Busch and Budvar were authorised to register jointly and concurrently their Budweiser trade marks following a judgment delivered by the Court of Appeal (England & Wales) (Civil Division) in February 2000.

79. Third, the order for reference also states that, while Anheuser-Busch submitted an application for registration of the word 'Budweiser' as a trade mark in the United Kingdom earlier than Budvar, both of those companies have from the beginning used their Budweiser trade marks in good faith.

80. Fourth, as was stated in paragraph 10 of this judgment, the referring court found that, although the names are identical, United Kingdom consumers are well aware of the difference between the beers of Budvar and those of Anheuser-Busch, since their tastes, prices and get-ups have always been different.

81. Fifth, it follows from the coexistence of those two trade marks on the United Kingdom market that, even though the trade marks were identical, the beers of Anheuser-Busch and Budvar were clearly identifiable as being produced by different companies.

82. Consequently, as correctly stated by the Commission in its written observations, Article 4(1)(a) of Directive 89/104 must be interpreted as meaning that, in circumstances such as those of the main proceedings, a long period of honest concurrent use of two identical trade marks designating identical products neither has nor is liable to have an adverse effect on the essential function of the trade mark which is to guarantee to consumers the origin of the goods or services.”

63) In *Victoria Plum Ltd v Victorian Plumbing Ltd* [2016] EWHC 2911 (Ch), Carr J. considered the CJEU’s judgment in *Budejovicky Budvar NP v Anheuser-Busch Inc.* and the Court of Appeal’s judgments in that case and in *IPC Media Ltd v Media 10 Ltd*, [2014] EWCA Civ 1403, and stated that a defence of honest concurrent use could, in principle, defeat an otherwise justified claim of trade mark infringement. Having reviewed the case law the judge stated that:

“74. The case law to which I have referred establishes the following principles:

- i) Where two separate entities have co-existed for a long period, honestly using the same or closely similar names, the inevitable confusion that arises may have to be tolerated.
- ii) This will be the case where the trade mark serves to indicate the goods or services of either of those entities, as opposed to one of them alone. In those circumstances, the guarantee of origin of the claimant’s trade mark is not impaired by the defendant’s use, because the trade mark does not denote the claimant alone.
- iii) However, the defendant must not take steps which exacerbate the level of confusion beyond that which is inevitable and so encroach upon the claimant’s goodwill.”

64) In assessing whether the defendant had acted honestly the judge directed attention to the following factors:

- “i) The defendant has a duty to act fairly in relation to the legitimate interests of the trade mark proprietor.

- ii) All circumstances must be considered when ascertaining whether or not the use by the defendant is honest, including whether the defendant can be regarded as unfairly competing with the trade mark proprietor.
- iii) However, the question is not simply whether use of the sign complained of gives rise to consumer deception, as such deception may have to be tolerated. Similarly, the defendant may well be aware of the existence of such confusion, having lived with it for a considerable period.
- iv) The question is whether the defendant has taken steps which exacerbate the level of confusion beyond that which is inevitable and so has encroached upon the claimant's goodwill.
- v) Whether the defendant ought to be aware that such steps will exacerbate confusion is a relevant factor."

65) The *Budweiser* case shows that honest concurrent use may also be relevant in trade mark opposition and cancellation proceedings. Consequently, Carr J.'s guidance in *Victoria Plum* must also be kept in mind in proceedings of this kind.

66) I have reservations regarding the veracity of the evidence from both parties as it is clear that SS seems to have a cavalier attitude to what version of his name appears on official documents, whilst MST conveniently ignores dealing with various issues raised and recent events. Despite these reservations I conclude that both parties have been using the name THANDI in connection with bus and coach services in the same area for many years in the full knowledge of the other side's use and business. Despite knowing that their trade mark brand was being infringed by a direct competitor based within a mile of them, neither side acted. **As such the ground of opposition under section 5(2)(b) which initially failed due to a lack of evidence of use, would also fail because there has been peaceful co-existence for many years.**

67) The next ground of opposition is under section 5(4)(a) which I set out earlier in paragraphs 24-28 inclusive. Earlier in this decision I found that there had been peaceful co-existence with both parties using the mark THANDI upon almost identical services in the same geographical

location. Accordingly, it seems to me that the necessary misrepresentation required by the tort of passing off will not occur. **The opposition under Section 5(4)(a) of the Act must fail.**

68) Lastly, I turn to the ground of opposition under section 3(6). This is fully set out in paragraphs 32-34 inclusive earlier in this decision. This ground was pursued on the basis that SS was aware of MST's long-standing reputation in the mark THANDI at the time that the marks were applied for in 2017. However, even though MST disputed the testimony of SS regarding collusion for a number of years in the mid-1990s (although his denial was very limited) it is clear that both sides have been using the name THANDI on identical services in the same area for a number of years. MST must have been aware of such use for a number of years yet chose not to do anything about it. He cannot now decide that SS has no rights to use the mark having co-existed peacefully for so long. **The ground of opposition under section 3(6) fails.**

69) I note that MST contends that an agreement was signed by the partners in the initial company which went into liquidation that MST would be the sole owner of the goodwill and that he and he alone was entitled to use the name THANDI. Whilst much has been made of this claim, the document has not been filed in evidence in these proceedings. In its absence I am unable to accept the contentions made regarding any agreement between the original partners. Even if I were able to take the wishes of the original founders into account I note that the partnership was liquidated and so the business and any agreements were null and void; further, as SS was not one of the original partners he could not be bound by such an agreement.

CONCLUSION

70) SS failed in its attempt to invalidate MST's mark, whilst MST failed in his attempt to oppose TCL's applications. Given that SS is the sole director of TCL I regard the two as a single entity for the sake of awarding costs. As both sides have achieved a measure of success I do not propose to favour either side with an award of costs.

Dated 2 April 2019

**George W Salthouse
For the Registrar,
the Comptroller-General**