

O-766-19

TRADE MARKS ACT 1994

IN THE MATTER OF AN APPLICATION
BY HALEWOOD INTERNATIONAL BRANDS LIMITED
TO REGISTER TRADE MARK 3317855:

VERA LYNN

IN CLASS 33

AND AN OPPOSITION THERETO UNDER NO. 413912
BY DAME VERA LYNN

BACKGROUND AND PLEADINGS

1. On 14 June 2018, Halewood International Brands Limited (the applicant) applied to register the above trade mark in the following class:¹

Class 33

Alcoholic beverages (except beer); spirits.

2. The application was published on 29 June 2018, following which Dame Vera Lynn (the opponent) filed a notice of opposition against all of the goods in the application.

3. The opponent bases its case on sections 5(4)(a) and 3(6) of the Trade Marks Act 1994 (the Act). Under 5(4)(a) the opponent relies on the sign VERA LYNN, which it claims to have used in respect of musical recordings, musical performances and charitable services. Use is claimed throughout the UK since at least 1939.

4. In her statement of grounds the opponent submits:

“Q2. The Opponent is an extremely well-known singer and performer whose musical recordings and performances have been popular since the Second World War. She is also very well-known for her charity work, including with ex-servicemen, disabled children and breast cancer.”

5. The opponent concludes that:

“...well-known personalities are known to endorse products, there will inevitably be confusion that the opponent has endorsed the applicant’s products.”

6. The opponent’s claim under section 3(6) is that the applicant has no permission to use the opponent’s name and is trying to exploit her good name and reputation to sell its goods.

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

7. The applicant filed a counterstatement in which it denies the opponent's claim. In respect of the claim under section 5(4)(a) it submits the following:

"The Opponent claims to have used VERA LYNN as an unregistered trade mark throughout the UK since at least 1939. It is denied that the sign has been used as a trade mark, and the Opponent is put to proof of that.

Whilst it is admitted that the applicant's mark is identical with the name of the Opponent, it is denied that the Opponent is known to endorse products, and that there will be confusion that the Opponent has endorsed the applicant's products. The Opponent is put to proof of this."

8. And under the s3(6) ground:

"It is denied that the Applicant is trying to exploit the Opponent's name, or to ride on the coat-tails of her goodwill. It is denied that the Opponent has goodwill in her name as a trade mark, and the Opponent is put to proof of this.

It is denied that there is any element of bad faith in the application. The Opponent is not associated in any way with the product of the application. The only products with which the Opponent is associated are musical recordings and performances; the Applicant denies any association with any other type of product."

9. The opponent filed evidence. The applicant filed evidence and submissions. Both sides provided skeleton arguments. A hearing subsequently took place before me, by video conference. The opponent was represented by Ms Ashton Chantrielle of Counsel. The applicant was represented by Mr Tom Jones of Counsel. Both sides seek an award of costs.

Opponent's evidence

Witness Statement of Virginia Penelope Ann Lewis-Jones with Exhibits VLG1 to VLG2

10. Ms Lewis-Jones is the opponent's daughter. Her statement is dated 18 March 2019. Ms Lewis-Jones's evidence relates to the opponent's goodwill.

Applicant's evidence

Witness Statement of Natalie Brindle with Exhibits NB1 to NB3

11. Ms Brindle is a trade mark attorney working for the applicant, a position she has held for 12 years. Her statement is dated 28 May 2019. Ms Brindle's evidence concerns cockney rhyming slang.

Opponent's evidence in reply

Witness Statement of Susan Fleet with Exhibit SF-1

12. Ms Fleet has been the opponent's personal assistant formally for the last 3 years and on an ad hoc basis for 20 years prior to that. She has known the opponent for 44 years. Her statement is dated 26 July 2019. Ms Fleet's evidence relates to endorsement requests made of the opponent.

13. I do not intend to further summarise the evidence here, but will refer to it as necessary throughout this decision.

Preliminary issue

14. In his skeleton argument Mr Jones makes much of the fact that the opponent has used the word 'confusion' in her notice of opposition when outlining her case under 5(4)(a). He points out that deception is at the heart of passing off and this requires an operative misrepresentation. Mr Jones submits that the opposition is flawed as a consequence. At the hearing, Ms Chantrielle drew my attention to the fact that both parties used the term 'confusion' in their initial pleadings.

15. The opponent did not have professional representation until the hearing in these proceedings, at which point counsel was instructed. Whilst this does not mean that the opponent can rely on inexact or poorly expressed pleadings, it does mean that an unrepresented party is less likely to be familiar with particular terms which are obvious

to someone whose ‘bread and butter’ is trade mark law. It is clear from the papers before me that both sides knew the scope of the claims against them, and both knew what they had to show in evidence and at the hearing. Consequently, I find that the initial pleadings were sufficient, and I do not intend to give this point any further consideration.

DECISION

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

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

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

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

17. In *Discount Outlet v Feel Good UK*,² 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.

² [2017] EWHC 1400 IPEC

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)."

18. 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.”

The relevant date

19. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*,³ Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act:

“43. In *SWORDERS TM O-212-06* Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position

³ BL O-410-11

would have been any different at the later date when the application was made.”

20. The filing date of the subject trade mark is 14 June 2018. There is no evidence or claim by the applicant that its mark has been used prior to this date. Accordingly, the matter need only be assessed as of that date.

Goodwill

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

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

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

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

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

23. 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.”

24. In its skeleton argument the applicant submitted:

“While there is no dispute that the Opponent is famous and has had a long and successful career in the music and entertainment industry, she has, avowedly, never used her name other than in connection with that career and her charity work.”

25. At the beginning of the hearing I asked Mr Jones, for the applicant, to confirm the extent to which the opponent's goodwill was accepted. Mr Jones confirmed that the applicant accepts the opponent's goodwill for the services the opponent named in its TM7 (notice of opposition). These are, musical recordings, musical performances and charitable services. Mr Jones was keen to stress that the applicant does not accept that the opponent has an endorsement business.

26. I outline below the key points from the opponent's evidence relating to goodwill in musical recordings, performance and charitable services:⁴

- First solo record 1939
- First recording contract with The Decca Record Company Limited 1937
- Under the stage name Vera Lynn, the opponent has performed and recorded for approximately 84 years
- Best known for 'We'll Meet Again' (1939) and 'The White Cliffs of Dover' (1942)
- Lead role in the film 'We'll Meet Again' (1942)
- During WW2 - Toured Egypt, India and Burma as part of ENSA (Entertainments National Services Association)
- Hosted BBC radio programme 'Sincerely Yours' from 1941 sending messages to troops abroad and performing requested songs
- Became known as 'the Forces Sweetheart', following a survey in the Daily Express
- Performed at four Royal Variety Performances (1960, 1975, 1986 and 1990)
- The subject of 'This is Your Life' twice (1957 and 1978)
- Performed on a variety TV shows, including the 1972 Morecambe and Wise Christmas Show
- Hosted her own variety show in the 1960s and early 1970s
- Has written three books, including her autobiography, 'Some Sunny Day'
- Became the oldest living artist to reach number 1 in 2009 (The Very Best of Vera Lynn)⁵
- First centenarian to have an album in the UK charts (Vera Lynn 100) in 2017
- 2018 Classic Brit Awards Lifetime Achievement Award
- 2018 Classic Brit Awards nominations for Album of the Year and Female Artist of the Year
- Musical recordings are still used for TV and film, e.g. 2017 Trainspotting 2

⁴ See the witness statement of Virginia Lewis Jones and exhibit VLJ2.

⁵ Received Gold Certification in the UK and New Zealand – selling more than 240,000 copies in the UK.

27. A document, which runs to 40 pages, is provided in evidence which lists the opponent's known radio broadcasts, film appearances and music recordings.⁶

28. With regard to the opponent's charity work, Virginia Lewis-Jones' statement submits that Vera Lynn has been active in the charity sector for approximately 70 years. Examples from that statement are as follows:

- Vera Lynn founded the cerebral palsy charity SOS in 1953
- Vera Lynn founded the Breast Cancer Research Trust in 1976
- The Dame Vera Lynn Children's Charity was founded in 2001
- In 2008 Vera Lynn became the patron of the Forces Literary Organisation Worldwide
- Vera Lynn became patron of the Dover War Memorial Project in 2010
- In 2010 Vera Lynn became patron of Help 4 Forgotten Allies (to support refugees from Burma)

29. An explanation of the work of the charitable trust can be found in the programme for the concert held in 2017 – '100 A Tribute to Dame Vera Lynn'. Proceeds from the concert went to the opponent's charities. It reads as follows:

"Dame Vera Lynn Charitable Trust

The Dame Vera Lynn Charitable Trust is used at the discretion of Dame Vera and the trustees to relieve need, hardship or distress among former members of Her Majesty's Armed Forces and their widows, widowers, dependents and families or other charitable purposes..."⁷

30. Ms Fleet gives evidence relating to the use of the opponent's name for charitable purposes. She is the opponent's friend and personal assistant and, she submits:⁸

"...In that role, I am usually the first point of contact for any endorsement requests, commercial purposes and fan mail...The only instances in which

⁶ See exhibit VLJ1.

⁷ See exhibit VLJ2.

⁸ See paragraph 3 of Ms Fleet's witness statement.

she would ever endorse products or let people use her name for commercial purposes is if the proceeds went to charity.”

31. Ms Fleet highlights that the opponent agreed to be part of a book entitled ‘Pretty Maids’ which is a collection of 30 flowers named after famous British women, including the opponent. The writer asked whether the opponent would consent to her name, image and a short biography appearing in the book. Consent was given as the proceeds were to go to the Caron Keating Foundation. The opponent asked that a donation also be made to the Dame Vera Lynn Children’s Charity.⁹
32. In her witness statement, Ms Lewis-Jones submits that in 2016 Vera Lynn licensed her name to Argon Consulting and Management Limited. The licence was for the sale of chocolate under an endorsement contract, with all royalty payments paid to the Prince’s Countryside Trust.

Misrepresentation

33. The applicant raises two points which it submits defeat the opposition. The first is that the opponent has no interest in product endorsement and has never engaged in it. The second is that the words ‘Vera Lynn’ have become rhyming slang for ‘gin’. The applicant submits:

“There is no risk of misrepresentation where the buying public simply would not assume endorsement by the Opponent...”

34. Mr Jones, for the applicant, expands the applicant’s position into four main points, as follows:
 - a. The Opponent’s reputation and goodwill are associated with her activities as a musician, performer and in charity work. These are the only goods in respect of which the Opponent claims to have made use of the sign VERA LYNN and in respect of which it can be said that she enjoys a goodwill.

⁹ See paragraph 4 of Ms Fleet’s witness statement and exhibit SF1, which includes a copy of the book cover.

This is a very different field to that in which the goods for which the trade marks are sought to be registered reside.

b. Save for her association with charitable causes, the Opponent does not and has never engaged in endorsement and would not be known for doing so.

c. Crucially, the words "vera lynn" have a meaning quite separate meaning from and distinct of the Opponent or her activities. The words "vera lynn" are used as rhyming slang for gin - a product archetypally within the notional fair use of the class 33 goods for which registration of the trade mark is sought.

d. The demographic purchaser for gin is young according to the Office for National Statistics. Conversely, the demographic with which the Opponent is mostly likely to have a reputation is much older, her main activities being associated with the war effort in the 1940s and the decades following."

35. I will consider Mr Jones' points c and d first. In support of its submission that 'the demographic purchaser for gin is young', the applicant provides an article from the Office for National Statistics. It is not dated but refers to events in 2017. The article is titled, 'Hipsters, gin and the Basket of Goods.' The relevant page is headed, 'Gin, 2017' and reads as follows:¹⁰

"What was considered a favourite of the middle-aged suburban couple, gin has become the staple of the younger drinker, which coincided with the growth in small gin producers. It has been reintroduced to the basket after a 13-year absence."

36. Mr Jones concludes from this article that the demographic purchasers for gin are young people. This is a non sequitur. The article does not indicate that middle aged or older drinkers have stopped drinking gin, but simply that younger people have started to drink it. If anything, the conclusion should be that gin is now drunk by people of all ages.

¹⁰ See Ms Brindle's witness statement and exhibit NB3.

37. In any case, this application is made in respect of alcoholic beverages, not gin in particular.¹¹ The relevant public for the purposes of these proceedings are members of the general public, of drinking age.

38. I turn next to point c, regarding Cockney Rhyming Slang. I note that there was no mention of this pleading in the applicant's notice of defence. The first reference is in the applicant's submissions dated 28 May 2018 and signed by Natalie Brindle. The wording in those submissions is as follows:

"The name Vera Lynn is known to such a degree in the UK, that it has become used in Cockney rhyming slang. It is used in rhyming slang in a number of ways; to denote CHIN, SKIN and GIN."

Ms Brindle provides a witness statement and an exhibit.¹² The pages of the exhibit are headed, 'Cockney Rhyming Slang London's Famous Secret Language'. It is not clear from the prints whether this is a website or social media page and no print or access dates are shown. The definitions are shown as follows:

Vera Lynn is Cockney slang for Skin (cigarette paper)

Vera Lynn is Cockney slang for Gin

Vera Lynn is Cockney slang for Chin

39. Ms Brindle also provides a print from www.bespokebarware.com which she describes as "showing a gin mug named Vera Lynn." The pictures shows multiple views of a ceramic mug in the shape of a woman's head, wearing what looks to be a military style cap. The text below the images reads:

"Vera Lynn = Gin

£25.50...

¹¹ At the hearing, Mr Jones submitted that the applicant is prepared to limit its specification to gin. I will return to this point later in the decision.

¹² See exhibit NB1.

One of five special new mugs in our Cockney Rhyming Slang Range, Vera Lynn is glazed in army green then each piece is hand painted to include gorgeous eyes and bright red lips."

40. In his skeleton argument for the applicant, Mr Jones submitted:

15...Selling alcoholic beverages, particularly gin, under the name VERA LYNN would be seen as playing on rhyming slang. It would be seen as a play on words and little more. This is a use of language with which the buying public are familiar - the names Ruby Murray (for "curry"), Alan Whickers (for "nickers") and Lionel Blair (for 'nightmare') are all examples.

16. The idea that a more than insignificant number of purchasers of alcoholic beverages, particularly gin, bearing the trade mark applied for would be deceived into thinking "that product has been endorsed by Dame Vera Lynn; I will buy it on that basis" is just unreal.

41. Mr Jones concludes that, "Standing back, the applicant is clearly seeking to adopt a distinctive rhyming slang term as a trade mark for certain alcoholic products..."

42. It is worth pausing here to note that there is nothing in evidence to show that the applicant sought registration of this trade mark due to its meaning in cockney rhyming slang. There is no mention of such a claim in the applicant's notice of defence. No evidence has been provided to show that such conversations were had within the company, either by email or within meetings. The first mention is the claim by Ms Brindle, in her submissions, that the opponent's name is 'known to such a degree in the UK' that it has become cockney rhyming slang. At the hearing Mr Jones submitted that the opponent's name has a meaning quite separate from the opponent herself and, concluded that the applicant 'is clearly seeking to adopt a distinctive rhyming slang term'. However, this does not seem to me to be a position advanced in evidence by the applicant itself.

43. In any case, it is the perception of the relevant public which is important in the assessment of a claim for passing off. The applicant's evidence shows three different

uses of Vera Lynn for rhyming slang, only one of which is ‘gin’. There is one single, undated, use of Vera Lynn in respect of a drinking vessel, which makes reference to rhyming slang ‘Vera Lynn = gin’. The applicant submits that using cockney rhyming slang is “...a use of language with which the buying public are familiar”, but has failed to provide any evidence of the level of understanding of cockney rhyming slang in the UK, or anything to illustrate the level of awareness of the term Vera Lynn with reference to gin. The evidence falls a long way short of showing that the relevant public for alcoholic beverages will, on encountering ‘Vera Lynn’, see it as a rhyming slang reference for gin, rather than bringing to mind the entertainer Vera Lynn, who has been in the entertainment business for 84 years. Furthermore, without evidence on the point, I cannot conclude that the number of consumers who will give ‘Vera Lynn’ a dual meaning of both the person Vera Lynn and her name used as the slang for gin, is anything more than very small. In my view, the considerable majority of the relevant public, on encountering the words ‘Vera Lynn’, will bring to mind the person and entertainer Vera Lynn.

44. Making such a finding does lead to an automatic conclusion that the relevant public will believe that the applicant’s goods are endorsed by Vera Lynn. This is a matter I will now go on to determine.

45. Mr Jones relies on paragraph 58 of *Irvine v Talksport [2002] FSR 60*:

“As pointed out already, this case is concerned with endorsement, not merchandising rights. For that reason, Miss Lane does not argue that her client can succeed simply by showing that his image was used for commercial purposes on the defendant’s brochure. She accepts that she must go further and show there was implicit representation of endorsement or that members of the target audience would believe that to be the case.”

46. The applicant is keen to point out that passing off does not enable a famous person to prevent all uses of their name for all goods and services in all circumstances. I agree, the case law is clear on this point that there is, “no free-standing general right to character exploitation enjoyable exclusively by a celebrity.”¹³

¹³ ELVIS PRESELY Trade Marks [1999] RPC 567 at p. 597.

47. In *Fenty (Fenty v Arcadia Group Brands Limited (T/A Topshop))*¹⁴ Birss J stated at paragraph 31:

"The law of passing off, as classically stated by Lord Oliver in *Reckitt & Colman v Borden*, requires the three elements of goodwill, misrepresentation and damage. Historically merchandising and endorsement have given rise to problems in passing off cases. In *Irvine v Talksport* [2002] FSR 60 Laddie J carefully reviewed this area of the law with a particular focus on endorsement. I cannot improve on Laddie J's analysis. His conclusion was that, provided the facts support it, there is nothing in the law to prevent a case of passing off being made out in a false endorsement case. He concluded on the facts that a famous racing driver Eddie Irvine had a property right in his goodwill which he can protect from unlicensed appropriation consisting of a false claim or suggestion of endorsement of a third party's goods or business."

48. Also, in *Irvine*,¹⁵ Laddie J provided a clear distinction between merchandising and endorsement cases and provided the following definition of endorsement:

"When someone endorses a product or service, he tells the relevant public that he approves of the product or service, or is happy to be associated with it. In effect, he adds his name as an encouragement to members of the relevant public to buy or use the service or product."¹⁶

49. Having undertaken a thorough review of existing passing off cases, Laddie J concluded the following (which are the paragraphs relied on by Ms Chantrielle in her skeleton argument):

"38. In my view these cases illustrate that the law of passing off now is of greater width than as applied by Wynne-Parry J in *McCulloch v May*. If someone acquires a valuable reputation or goodwill, the law of passing off

¹⁴ 2015 EWCA Civ 3

¹⁵ [2002] FSR 60

¹⁶ Above at paragraph 9.

will protect it from unlicensed use by other parties. Such use will frequently be damaging in the direct sense that it will involve selling inferior goods or services under the guise that they are from the claimant. But the action is not restricted to protecting against that sort of damage. The law will vindicate the claimant's exclusive right to the reputation or goodwill. It will not allow others to so use goodwill as to reduce, blur or diminish its exclusivity. It follows that it is not necessary to show that the claimant and the defendant share a common field of activity or that sales of products or services will be diminished either substantially or directly, at least in the short term. Of course, there is still a need to demonstrate a misrepresentation because it is that misrepresentation which enables the defendant to make use or take advantage of the claimant's reputation.

39. Not only has the law of passing off expanded over the years, but the commercial environment in which it operates is in a constant state of flux. Even without the evidence given at the trial in this action, the court can take judicial notice of the fact that it is common for famous people to exploit their names and images by way of endorsement. They do it not only in their own field of expertise but, depending on the extent of their fame or notoriety, wider afield also. It is common knowledge that for many sportsmen, for example, income received from endorsing a variety of products and services represent a very substantial part of their total income. The reason large sums are paid for endorsement is because, no matter how irrational it may seem to a lawyer, those in business have reason to believe that the lustre of a famous personality, if attached to their goods or services, will enhance the attractiveness of those goods or services to their target market. In this respect, the endorsee is taking the benefit of the attractive force which is the reputation or goodwill of the famous person."

50. I also bear in mind paragraph 46 of the decision in which he held:

"It follows from the views expressed above that there is nothing which prevents an action for passing off succeeding in a false endorsement case. However, to succeed, the burden on the claimant includes a need to prove

at least two, interrelated facts. First that at the time of the acts complained of he had significant reputation or goodwill. Second that the actions of the defendant gave rise to a false message which would be understood by a not insignificant section of his market that his goods have been endorsed, recommended or are approved of by the claimant."

51. Whilst accepting that the opponent had goodwill at the relevant date for musical recordings, musical recordings and charitable services, the applicant stresses that the opponent does not have an endorsement business. I agree. However, the opponent's goodwill in the field of charity work includes furthering those causes by allowing her name to be used for fundraising purposes. On several occasions she has allowed her name to be used on goods sold by third parties, including chocolate for the Prince's Countryside Trust and as part of a book for the Caron Keating Foundation.

52. This is in keeping with Laddie J's conclusion that the court can take judicial notice of the fact that it is common for famous people to exploit their names and images by way of endorsement. He clarifies that this is the case not only in their own field of expertise but, depending on the extent of their fame or notoriety, wider afield also.

53 . The second part of the question provided by Laddie J, when applied to the facts of this case is; did the actions of the applicant create a false message which would be understood by a not insignificant section of its market to mean that its goods (alcoholic beverages) had been endorsed, recommended or approved of by Vera Lynn?

54. In most of the leading cases before the courts which deal with false endorsement trading has already commenced by the defendant. In this case the contested mark is an application where no claim to use has been made, nor evidence filed, as the mark is yet to be used.

55. This is not fatal to the opponent's case, as Laddie J held at paragraph 59 of *Irvine v Talksport*, this issue must, in the end, be determined by the court (or tribunal). The question is whether on the balance of probabilities, a significant portion of the relevant public for the applicant's alcoholic beverages would think that Vera Lynn had endorsed or recommended them. The opponent is a well-known entertainer, who has goodwill for

charitable work, which includes allowing use of her name for fund raising purposes. On encountering the applicant's goods, I find that a substantial number of persons would bring to mind the entertainer Vera Lynn and conclude that there was a connection between her and the opponent's goods.

Damage

56. Having found that the goodwill and misrepresentation limbs of the test have been satisfied in respect of the goods in the application, it follows that damage to the opponent's goodwill will arise.

57. Damage can be wider than simply a loss of sales, in the traditional sense, where a purchaser buys x's goods instead of y's goods, thus diverting trade. In *Pavel Maslyukov v Diageo Distilling Ltd*¹⁷ Arnold J stated:

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

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

'To induce the belief that my business is a branch of another man's business may do that other man damage in all kinds of ways. The quality of the goods I sell; the kind of business I do; the credit or otherwise which I might enjoy. All those things may

¹⁷ [2010] EWHC 443 (Ch).

immensely injure the other man, who is assumed wrongly to be associated with me.'

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

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

The same judge expressed himself more picturesquely, but equally helpfully, in *Irvine v Talksport Ltd* [2002] 1 W.L.R. 2355 at 2366. Having pointed out the more familiar, and easier, case of a defendant selling inferior goods in substitution for the claimant's and the consequential damage, he went on to say:

'But goodwill will be protected even if there is no immediate damage in the above sense. For example, it has long been recognised that a defendant cannot avoid a finding of passing off by showing that his goods or services are of as good or better quality than the claimant's. In such a case, although the defendant may not damage the goodwill as such, what he does is damage the value of the goodwill to the claimant because, instead of benefiting from exclusive rights to his property, the latter now finds that someone else is squatting on it. It is

for the owner of goodwill to maintain, raise or lower the quality of his reputation or decide who, if anyone, can use it alongside him. The ability to do that is compromised if another can use the reputation or goodwill without his permission and as he likes. Thus Fortnum and Mason is no more entitled to use the name FW Woolworth than FW Woolworth is entitled to use the name Fortnum and Mason ...’ ‘The law will vindicate the claimant’s exclusive right to the reputation or goodwill. It will not allow others so to use goodwill as to reduce, blur or diminish its exclusivity.’ (at 2368)

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

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

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

“Damage

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

¹⁸ [2013] EWPCC 18

59. The opponent uses the goodwill in her name for the financial benefit of a number of charities. It is clear to see that by losing control of her goodwill, her ability to do this will be diminished. In other words, damage will result.

60. I find that use of the applicant's mark at the relevant date was liable to be restrained under the law of passing off in respect of the goods for which it has applied.

61. The opposition succeeds under section 5(4)(a) of the Act.

Fallback specification

62. The applicant submitted at the hearing that it was prepared to limit its specification to 'gin'. Gin is included within the alcoholic beverages for which the application is made. Consequently, such a limitation has no effect on the conclusion I have already reached.

The opposition under section 3(6)

63. I turn now to the opponent's claim under section 3(6) of the Act which states:

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

64. The law relevant to a finding of bad faith was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited*¹⁹ (“Red Bull”) in the following terms:

“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

¹⁹ [2012] EWHC 1929 (Ch)

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)."

65. The full extent of the opponent's pleading is contained in its notice of opposition, and reads as follows:

"The applicant has no permission to use the Opponent's name and is trying to exploit her good name and reputation to sell its goods. It is trying to ride on the coat tails of her goodwill and exploit her name."

66. Paragraph 33 of the opponent's skeleton argument reads:

"There can be no doubt that the Applicant was aware of Dame Vera Lynn and the mark VERA LYNN, her reputation and goodwill therein. Further, rather surprisingly, the Applicant has provided no evidence as to the reasons why it chose to register the mark. In light of all the circumstances it can reasonably be inferred that the only reason the Applicant applied to register the mark was to take advantage of Dame Vera Lynn's reputation."

67. The applicant submits, in its skeleton argument:

"19. The opposition is thus put entirely on the basis of the Opponent's bare assertions about the Applicant's intentions. No evidence is advanced in support of the assertion. The opposition is thus easily answered. The intention baldly asserted is incorrect. The true position is that the Applicant has chosen the trade mark as a play on words and rhyming slang."

68. The relevant date is 14 June 2018, by which point the applicant must have known of the existence of Vera Lynn for the entertainment and charity services for which it

accepts she has goodwill. Having found that the mark applied for and the earlier right are identical and that there is a likelihood of deception amongst a significant proportion (majority) of the public, I have accepted that, viewed objectively, there is a *prima facie* case of bad faith. The case law is clear that an allegation of bad faith is a serious one which must be proven. For the purposes of a bad faith claim which relies entirely on the applicant's intention, it is not possible for the opponent to file evidence which will show it. The applicant, on the other hand, has had ample opportunity to file such evidence and has not done so. In his skeleton argument and at the hearing Mr Jones submitted that the true position is that the applicant has chosen the trade mark as a play on words and rhyming slang. As I have already found earlier in this decision, the applicant has not advanced any reasons for making its application to register the trade mark VERA LYNN in class 33. The applicant's representatives have provided evidence relating to Vera Lynn being cockney rhyming slang for gin, but the applicant itself has remained silent on the matter. There are no witness statements and there is no evidence which illustrates the rational for the applicant filing the trade mark.

69. The applicant may well believe it has acted legitimately in pursuit of its business. However, as per point seven of the decision in *Red Bull* the applicant's own standards of honesty, or what the applicant considers to be acceptable commercial behavior, is irrelevant. What matters is whether the applicant's actions are such as would be judged by other honest people in business to be in bad faith. Having considered all of the material before me, I find that on the balance of probabilities, they would be.

70. I find that the opposition in respect of section 3(6) succeeds.

COSTS

71. The opposition having succeeded under 5(4)(a) and 3(6) grounds, the opponent is entitled to a contribution towards its costs. I award costs on the following basis:

Official fee:	£200
---------------	------

Preparing a statement and considering the other side's statement:	£400
---	------

Preparing evidence and submissions and considering submissions:	£600
Preparation for and attending a hearing:	£800
Total:	£2000

72. I order Halewood International Brands Limited to pay Dame Vera Lynn the sum of £1800. 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 12th December 2019

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