

**DECISION OF THE CONTROLLER OF PATENTS, DESIGNS AND TRADE MARKS IN
PROCEEDINGS UNDER THE TRADE MARKS ACT, 1996**

In the matter of an application for registration of Trade Mark No. 237019 and in the matter of an Opposition thereto.

MARIE CLAIRE NETHERLANDS B.V.

Applicant

MARIE CLAIRE S.A. and BRANDWELL (IRL) LIMITED

Opponents

The Application

1. On 15 October, 1997 (the relevant date), MONTAGUTE COMERCIO E INDUSTRIA DE TEXTEIS, LDA of Quinta de Santa Maria, Maximinos, 4700 Braga, Portugal made application (No. 1997/3829) under Section 37 of the Trade Marks Act, 1996 (“the Act”) to register MARIE CLAIRE as a Trade Mark in respect of the following goods:

Class 32: Clothing, headgear

2. The application was subsequently assigned to MARIE CLAIRE NETHERLANDS B.V. of Emmalaan 25, 1075AT Amsterdam, The Netherlands by virtue of a Deed of Assignment dated 1 January, 2006 and was then accepted for registration and advertised accordingly under No. 237019 in Journal No. 2082 dated 3 October, 2007.
3. Notice of Opposition to the registration of the mark pursuant to Section 43 of the Act was filed on 2 January, 2008 jointly by Marie Claire S.A. of Avenida De Vall De Uxo, 8, 12004 Castellon, Spain (hereinafter referred to as “MCSA”) and Brandwell (IRL) Limited, of 12 Northwest Business Park, Ballycoolin, Dublin 15, in relation to all the goods covered by the application. The Applicant filed a counter-statement on 20 February, 2008 and evidence was, in due course, filed by the parties under Rules 20, 21 and 22 of the Trade Marks Rules, 1996 (“the Rules”).
4. The opposition became the subject of a hearing before me, acting for the Controller, on 7 June, 2012. The parties were notified 12 February, 2013 that I had decided to uphold the opposition and to refuse the registration of the mark. I now state the grounds of my decision and the

materials used in arriving thereat in response to a request by the Opponent in that regard pursuant to Rule 27(2) of the Rules.

Grounds of the Opposition

5. In the Notice of Opposition the Opponents state that MCSA are the proprietor of the trade mark MARIE CLAIRE which was adopted for use in Spain in 1960 by MCSA's predecessors in business. In 1992 Brandwell commenced selling, in the State under the trade mark MARIE CLAIRE, hosiery manufactured in Spain by MCSA's predecessors in business (Aznar). In 1993 the Irish range of MARIE CLAIRE products was extended to lingerie and, in 1994, articles of swimwear were added to that range. From 1992 to the present time all the hosiery, lingerie and swimwear products sold by Brandwell in the State under the trade mark MAIRE CLAIRE have been manufactured either by MCSA or by MCSA's predecessors in business.
6. At the date of filing of the opposed application the earlier MAIRE CLAIRE trade mark had been used in the State for over five years and had acquired a significant reputation in the State in relation to hosiery, lingerie and swimwear as a consequence of the extensive sales effected under the trade mark in that period.
7. As the Applicant has applied for an identical mark covering identical or similar goods (i.e. clothing and headgear in Class 25), use by the Applicant of the mark would inevitably lead to the Applicant's goods being passed off as or mistaken for the goods sold under the Opponent's earlier mark. Therefore the application offends against Section 10(4)(a) of the Act since use of the mark would be prevented by virtue of the law of passing-off.
8. The Opponents also state that at the date of filing the Applicant was fully aware of the fact that the earlier MARIE CLAIRE trade mark had, by virtue of its use in the State, come to identify exclusively hosiery, lingerie and swimwear manufactured by MCSA's predecessors in business and sold in the State by Brandwell and that the Applicant was also fully aware of the extent of the turnover achieved under the earlier MAIRE CLAIRE mark in the State since 1992. As such the Opponents contend that the application was made in bad faith since, at the date of filing, the Applicant knew that it could not legitimately claim to be the proprietor of the trade mark MARIE CLAIRE in Ireland.
9. At the date of filing the Opponents state that the Applicant was also aware of the existence of Trade Mark Application No. 157500 for MARIE CLAIRE by Brandwell's predecessor in

business (Hartstone Ireland Limited, hereafter “Hartstone”) and of the filing by Aznar of Community Application No. 77966 in respect of the trade mark MARIE CLAIRE in Class 25 and that the opposed application was filed for the purpose of preventing the registration in the State of the earlier MARIE CLAIRE trade mark. Therefore the Opponents contend that the opposed application offends against Section 8(4)(b) of the Act.

10. The Opponents also contend that the opposed mark is neither being used in the State by or with the consent of the Applicant, nor is there a bona fide intention that it should be so used and registration thereof would be contrary to the provisions of Sections 27(2) and 42(3) of the Act.

Counter-Statement

11. In its Counter Statement the Applicant denies any knowledge of the use and reputation claimed by the joint Opponents. The Applicant contends that its application would not be prevented by virtue of any rule of law protecting an unregistered trade mark including the law of passing off and denies that it applied to register its trade mark in bad faith. Therefore the application does not contravene the provisions of Sections 8(4)(b) or 10(4)(a) of the Act.
12. The Applicant states that it does use and has a bona fide intention to use the said trade mark in relation to all the goods covered by the application and denies that its application contravenes the provisions of Sections 37(2) and 42(3) of the Act.
13. The Applicant further claims that neither the Act nor the Rules provide for the filing of a single Notice of Opposition by joint Opponents. The Applicant claims that the joint Opponents are not related entities or in a licensor and licensee relationship whereby use of the said trade mark is controlled and requests that the opposition be deemed inadmissible as not being correctly filed in accordance with the statutory provisions of the Act and Rules.

Rule 20 Evidence

14. Evidence submitted by the Opponents under Rule 20 consisted of a Statutory Declaration and supporting evidence, by way of eight exhibits (“MC1” to “MC8”), dated 18 February, 2009, of Mr. Vincente Tejedo, Chief Executive of MCSA, of Avenida De Vall De Uxo, 8, 12004 Castellon, Spain, and a Statutory Declaration, dated 14 May, 2009 of Mr. Sean Mahon, Managing Director of Brandwell (Ireland) Limited, of 12 Northwest Business Park, Ballycoolin, Dublin 15.

15. In his declaration Mr. Tejedó states that his company is the proprietor of the trade mark MARIE CLAIRE and has applied to register that trade mark in Ireland under Application No. 2004/00916 (details of which are contained in exhibit “MC1”). He provides details of the history of the trade mark and the relationship between the parties, the main details for the purposes of these proceedings being as follows:

- (i) The MARIE CLAIRE trade mark was first adopted and registered in Spain in 1960 (details of that registration are contained in exhibit “MC2”) by MCSA’s predecessors in title; the name having been coined by conjoining the name of an employee’s wife called Claire with the name Marie which was considered to be a name close to Spanish culture.
- (ii) In 1991 the Spanish owners of the MARIE CLAIRE trade mark were acquired by the U.K. company, Hartstone Group plc, following which a decision was made to sell a range of hosiery under the MARIE CLAIRE trade mark in Ireland. The range was subsequently launched in Ireland in August 1992 (copies of original packaging filed as exhibit “MC3”).
- (iii) The following year sales of lingerie under the MARIE CLAIRE trade mark commenced in the State and in 1994 a range of MARIE CLAIRE swimwear was launched.
- (iv) Approximate annual turnover and marketing expenditure (Euro equivalent of the then Irish Punt) for MARIE CLAIRE products in the State from 1992 to 1997 were detailed as follows:

Year	Approximate Turnover	Approximate Promotion Expenditure
1992	€56,782	€6,024
1993	€144,577	€20,765
1994	€164,968	€19,180
1995	€588,876	€28,980
1996	€806,077	€43,955
1997	€1,000,000	€65,000

- (v) The Opponents’ MARIE CLAIRE products are sold in every county in Ireland (exhibit “MC5” contains a list of towns where the products are sold)
- (vi) Advertisements promoting MARIE CLAIRE products have appeared in publications such as Irish Tatler, Image, Woman’s Way, Ulster Tatler, Social & Personal, Irish Brides, Irish Independent, Tuam Herald, Sunday Press, Retail News, Futura Magazine, Checkout Ireland, VIP, Ireland on Sunday, U Magazine, I Magazine, Evening Echo, News of the World, Offaly Independent, Longford Leader, Kildare Nationalist, Roscommon Herald,

Munster Express and the Western People, copy extracts from a large number of these publications being exhibited at “MC6”.

- (vii) The Opponent’s ownership of the MARIE CLAIRE trade mark has been recognised by the Controller of Patents, Designs and Trade Marks who previously held, as a matter of fact, that the MARIE CLAIRE trade mark has since 1993 served to indicate a connection in the course of trade between the Opponents and articles of hosiery, swimwear and lingerie manufactured by MCSA and sold under that trade mark in the State by Brandwell. That finding was made in a decision (exhibited at “MC7”) handed down by the Controller in December 2002 in respect of an Opposition filed by Montagute Comercio E Industria De Texteis LDA (hereinafter referred to as “Montagute”) against an application for registration of the MARIE CLAIRE trade mark by Brandwell.
- (viii) Montagute was the original applicant for registration of the trade mark the subject of these proceedings and was fully aware that it could not legitimately claim to be the proprietor of the trade mark MARIE CLAIRE in the State in relation to the goods covered by the application. Montagute was also aware of the existence of Trade Mark Application No. 157500 for the registration of MARIE CLAIRE by Brandwell, having previously opposed that application, and of the filing of Community trade Mark Application No. 00077966 in respect of the trade mark MARIE CLAIRE in Class 25, as the latter application was referred to in the written decision handed down by the Controller in respect of Montagute’s opposition to Application No. 157500.
- (ix) He goes on to state that, at the date of filing of the opposed application (copy of Register extract provided at exhibit “MC8”), Montagute had no bona fide intention of using the MARIE CLAIRE trade mark in Ireland in relation to the goods applied for and that the mark has not been used in the State either before or in the eleven years which has elapsed since the opposed application was filed. He states that Montagute acted in bad faith by filing the opposed application and did so with a view to preventing the registration in Ireland of his company’s MARIE CLAIRE trade mark, and the subsequent assignments which resulted in the vesting of title to the present Applicant do not serve to cure or circumvent the initial bad faith filing by Montagute.

16. For his part Sean Mahon states in his declaration that his company Brandwell first commenced marketing and selling in Ireland hosiery, manufactured by MCSA and sold under the MARIE CLAIRE trade mark, in August 1992. By 1994 the MARIE CLAIRE range was extended to include lingerie and swimwear.

17. On January 27, 1993 his company (Hartstone) applied to register the trade mark MARIE CLAIRE in Ireland under Application No. 93/0327. That application was published under Application No. 157500 and was subsequently opposed by Montagute. In deciding that opposition the Controller found that the MARIE CLAIRE trade mark had always been used in Ireland to designate goods emanating from Mr. Tejedó's company (then called Aznar, now MSCA) rather than from Hartstone. The Controller rejected Hartstone's application on the grounds that Aznar was the true proprietor of the trade mark MARIE CLAIRE in relation to the goods applied for under Application No. 157500. Mr. Mahon repeats the claims made by Mr. Tejedó regarding the Applicant's obvious knowledge of the Opponent's earlier use of the MARIE CLAIRE trade mark (having opposed the earlier application made by Hartstone to register it) and that the Applicant knew, on the date of filing of the application, that it was not free to use the mark in Ireland in relation to the goods covered by the application.

Rule 21 Evidence

18. Evidence submitted by the Applicant under Rule 21 consisted of a Statutory Declaration of Arnaud de Contades, a French citizen, of 10 boulevard des Freres Voisin, 92130 Issy les Moulinaux, France and two supporting exhibits "X" and "Y" as well as a Statutory Declaration of Marc van Ravels, a Director of Marie Claire Netherlands BV (hereinafter referred to as "MCN") a Dutch company, of Emalaan 25, 1075 AT Amsterdam, The Netherlands, dated 3 March, 2010 and nine supporting exhibits "A" to "I".

19. For his part Arnaud de Contades states that he is the managing director of Marie Claire Album S.A. (hereinafter referred to as "MCA"), a company related to the Applicant (exhibit "X" discloses the shareholding held by MCA in the Applicant). He contends that on and prior to 15 October, 1997 MCA had an unwritten agreement with Montagute whereby Montagute had the full authority of MCA to use the MARIE CLAIRE trade mark in relation to clothing and headgear in a number of countries including Ireland. Montagute also had the full authority and the permission of MCA to file in its own name, Irish Trade Mark Application No. 237019.

20. He states that MCA are the one and the same company which the Controller found to hold a reputation under the MARIE CLAIRE trade mark in Ireland, in respect of magazines, in the successful opposition, filed by MCA, to Trade Mark Application No. 157500 (exhibit "Y" consists of a copy of the Controller's decision). Furthermore, Trade Mark Application No. 157500 was also opposed by Montagute as MCA's authorised user of the MARIE CLAIRE trade mark in relation to clothing and headgear. He deposes that Montagute and the Applicant

are entities which have, and at all relevant times had, the full authority of MCA to use the MARIE CLAIRE trade mark in relation to clothing and headgear as part of the brand development strategy of MCA to exploit MCA's reputation under the MARIE CLAIRE trade mark and the nexus which exists between the use on magazines and related goods such as clothing and headgear.

21. Mr. van Ravels' declaration repeats much of what is contained in the declaration of Mr. de Contades and adds some additional evidence which I summarise as follows:

- i. Copies of two Statutory Declarations of Evelyne Prouvoust (attached at exhibit "D") filed by MCA in opposition to Trade Mark Application No. 157500.
- ii. On 6 March, 2006 the Second Board of Appeal before OHIM issued a decision refusing a MAIRE CLAIRE Community Trade Mark Application of MCSA (copy of the decision exhibited at "E"). In refusing the application the OHIM Board found that MCA had a reputation in the Community and that a nexus would exist in the eye of the relevant consumer between use on magazines and use in respect of bathing suits and underwear. That decision relates to an application dated 1 July 1996 and the finding of a reputation and nexus at that date is significant in the current proceedings.
- iii. The Opponents have not proven a reputation or any resultant common law rights as of 15 October, 1997. Consequently, and having regard to the proven reputation and proprietorship of the MARIE CLAIRE trade mark by MCA there was no bad faith in filing the application.
- iv. There was a clear intention to use the MARIE CLAIRE trade mark on the goods of the application as evidenced by Exhibit "F" which contains a copy of brand development literature, presentation books produced by MCA and an exhibition catalogue for an exhibition which took place in Harrogate on 21-23 August 2006, the latter being proof that there is already use.
- v. There is no separate edition of the MARIE CLAIRE magazine in Ireland as the Irish market is covered by the U.K. publication. Exhibit "G" provides details of print orders of MARIE CLAIRE in the EU (1993-1997), circulation figures in the EU (1990-1997) and circulation figures for the U.K. (1988-2000) within which the figures under "*export*" relate to Ireland.
- vi. In view of the reputation enjoyed by MCA under the MARIE CLAIRE trade mark and with the full agreement of MCA, Montagute had the authority and was fully entitled to file the application, which it did in good faith and with an intention to use. Exhibit "H" contains a copy of Statutory Declarations of Leo Gros filed by Montagute in their successful opposition to Application No. 157500.

- vii. On 8 October, 2001 a settlement agreement was concluded between MCA and The Hartstone Group PLC (copy exhibited at “I”) under which the deponent questions the claim by Brandwell (formerly of The Hartstone Group) to any rights to the MARIE CLAIRE trade mark having regard to the relationship between MCA and Hartstone and the settlement agreement.
22. Mr. van Ravels also questions the relevance and probative value of certain of the evidence submitted by the joint opponent’s under Rule 20, insofar as it either post-dates the application filing date, is not dated or the date cannot be identified (for example, in the case of invoices).

Rule 22 Evidence

23. Evidence submitted by the Opponent under Rule 22 consists of a second Statutory Declaration of Sean Mahon of 28 September, 2010 and five accompanying exhibits “SM1” to “SM5” and an undated second Statutory Declaration of Vicente Tejedo and four accompanying exhibits “TJ1” to “TJ4”.
24. Mr. Mahon responds to claims made in the Statutory Declarations of Marc van Ravels that use of MCSA’s MARIE CLAIRE trade mark in Ireland prior to 15 October 1997 was not proven or insignificant by highlighting that a figure of €2,761,280 (the Euro equivalent of the then Irish Punt) was generated by way of turnover under the mark between 1992 and 1997.
25. He explains that, due to the installation of a new computer system, copies of invoices and promotional material were not available and could not be exhibited with evidence filed under Rule 20. However, he states that following further investigation, copies of invoices, dating prior to 15 October, were uncovered and attaches them in Exhibit “SM1”. These invoices were generated by Hartstone Ireland Limited, which changed to Brandwell Ireland Limited on 24 January, 2000 and submits a copy of an extract from the Companies Registration Office showing the name change at Exhibit “SM2”. Mr. Mahon also submits, at Exhibit “SM3”, copies of a number of advertisements featuring the MARIE CLAIRE trade mark all dated prior to 15 October, 1997 and, at Exhibit “SM4”, a list of customers in Ireland who purchased MARIE CLAIRE hosiery, lingerie and swimwear during the period 1992 to 1997.
26. Mr. Mahon declares that the agreement mentioned in Mr. van Ravels’ declaration relates to litigation initiated in the United Kingdom by MCA to prevent Hartstone Hosiery Limited (hereafter referred to as “HHL”), a subsidiary of The Hartstone Group, from using the trade

mark MARIE CLAIRE on hosiery, in the United Kingdom. While Hartstone Ireland Limited was also a subsidiary of The Hartstone Group at the time of the litigation, it was not a party to the litigation or the subsequent settlement agreement. In fact, Article 2 of the aforementioned agreement states *“Hartstone represents and warrants that it has divested itself of all its interests in the hosiery business and that on the date of this Agreement it is not directly nor indirectly affiliated nor party to any agreement or understanding or involved in any discussions pursuant to which it might become directly or indirectly affiliated to AZNAR, Hartstone Ireland Limited, IPKO nor any of its respective Affiliates. Hartstone also represents that on the date of this Agreement it is not directly nor indirectly affiliated nor party to any agreement or understanding or involved in any discussions pursuant to which it might become directly or indirectly affiliated to Brandwell (Irl) Limited (Brandwell) or any Affiliates of Brandwell.”*

27. Mr. Mahon maintains that it is clear the Agreement did not affect Brandwell’s right and ability to distribute MARIE CLAIRE hosiery, swimwear and lingerie in Ireland as is evidenced by the fact that Brandwell has continued to distribute MARIE CLAIRE products in Ireland for the past 18 years without complaint or interference from MCA or any associate or affiliate of MCA. He states that MCA is not a party to this opposition and has no rights in the MARIE CLAIRE trade mark in Ireland in respect of any of the goods covered by the opposed application. He goes on to state that MCSA is the proprietor of numerous Spanish registrations featuring the trade mark MARIE CLAIRE, particulars of which are exhibited at “SM5”.
28. For his part Vincente Tejedo addresses certain of the claims made in the declarations made by Arnaud de Mr. Contades and Marc van Ravels which I summarise as follows:
- i. MCA is not a party to these proceedings and all material relating to MCA has no bearing on this matter.
 - ii. MCA has no registered or common law rights in Ireland under the trade mark MARIE CLAIRE in respect of clothing or headgear and is not in a position to authorise MCA or any third party to use the MARIE CLAIRE trade mark in Ireland in relation to those goods.
 - iii. If, as is claimed, MCA is the proprietor of the trade mark MARIE CLAIRE in respect of clothing and headgear and authorised Montagute to file the opposed application, then Montagute could not validly assign the opposed application to Arzoro S.A. and the subsequent assignments to Marie Claire B.V. and MCN are therefore also invalid.
 - iv. MCN has not filed any evidence to suggest that Montagute or Montagute’s Assignee, Arzoro S.A. or Arzoro’s Assignee, Marie-Claire B.V, or Marie-Claire B.V’s Assignee,

MCN, has ever sold so much as a single item of clothing or headgear in Ireland under the trade mark MARIE CLAIRE in the 13 years since Application No. 237019 was filed.

- v. No evidence whatsoever has been produced to support the claim that an “unwritten agreement” existed between MCA and the original applicant, Montagute, whereby Montagute had the full authority of MCA to use the MARIE CLAIRE trade mark in relation to clothing and headgear in a number of countries, including Ireland. In any event MCA is not in a position to authorise or licence Montagute, MCN, or anyone else, to use the mark in Ireland in relation to the goods in question.
- vi. Mr. Cleary found in his decision in MCA’s opposition to Brandwell’s Application No. 157500 that, while MCA had a reputation in Ireland under the MARIE CLAIRE trade mark in relation to magazines, MCA had not used the trade mark on or in relation to clothing. The sole basis for Mr. Cleary’s refusal of the application was that Brandwell was acting as a distributor for hosiery, swimwear and lingerie manufactured by Aznar and therefore that Brandwell could not claim to be the proprietor of the MARIE CLAIRE trade mark since the trade mark served to designate goods emanating from Aznar rather than Brandwell.
- vii. Aznar was absorbed by merger with MCSA with effect from 26 March, 2003 with all the assets of Aznar being acquired by MCSA, including the trade mark MARIE CLAIRE. Exhibit “TJ1” provides a certified English language translation of an extract from the Mercantile Registry of Castellon as evidence of MCSA’s acquisition of Aznar and the assets of Aznar.
- viii. The Applicant has failed to address, in any meaningful way, MCSA’s claim that the opposed application was filed by Montagute in bad faith, save to say that “*there was no bad faith in the filing of the subject trade mark application*” and that it was not filed in bad faith “*having regard to the proven reputation or proprietorship of the MARIE CLAIRE trade mark by MCA*”. The current Applicant has no connection with Montagute so Mr. van Ravels cannot know the motives behind the original filing of the application by Montagute. It would require a sworn Statutory Declaration from an officer of Montagute attesting to the reasons why the original application was filed to address the claim of bad faith.
- ix. Mr. Tejedó attaches at Exhibit “TJ2” a copy of the judgement of Mr. Justice Chadwick, of the UK Royal Courts of Justice, wherein an interlocutory injunction sought by MCA against Hartstone Hosiery was refused.
- x. Attached at Exhibits “TJ3” and “TJ4” are two decisions of the Office for Harmonisation in the Internal Market (the Community Trade Mark & Design Office) in which two applications for Community Trade Marks (one by MCA and the other by MCN) for use of

the MARIE CLAIRE trade mark in respect of goods in class 25 were successfully opposed by MCSA.

29. No further evidence was submitted and the parties were, in due course invited to attend at a hearing of the matter.

The Hearing

30. At the Hearing the Opponents were represented by Mr. Paul Coughlan BL, instructed by MacLachlan & Donaldson, Trade Mark Agents and the Applicant by Mr. Shane Smyth, Trade Mark Agent of FRKelly.

31. Mr. Coughlan and Mr. Smyth outlined their positions regarding the preliminary issue of the admissibility of an opposition being filed by joint opponents. For his part Mr. Smyth argued that there is no provision in either the “Act” or “Rules” to allow such a filing and the opposition should, therefore, be deemed inadmissible. He contends that the thrust of the legislation refers to any Opponent as being in the singular and that a whole new dynamic would occur which would raise questions regarding how many joint Opponents can you have, what fees are payable, who is liable for costs, who would receive costs if successful, who can appeal? The Opponents are not related entities or in a licensee and licensor relationship whereby use of the said mark is controlled.

32. Mr. Coughlan contended that, as a matter of basic statutory interpretation, Mr. Smyth is incorrect, and pointed to Section 43(2) of the Act that provides:

“Any person may, within the prescribed time from the date of the publication of the application in the Journal, give notice to the Controller of opposition to the registration...” (emphasis added by Mr. Coughlan) and to Section 18 of the Interpretation Act, 2005 which provides:

“The following provisions apply to the construction of an enactment:

(a) Singular and plural. A word importing the singular shall be read as also importing the plural, and a word importing the plural shall be read as also importing the singular.”

33. It is not unusual for two or more unrelated opponents to lodge separate oppositions in their individual names. It is also not unusual for opponents in a single opposition to be a partnership,

in which, for obvious reasons the partners have a shared interest. In these proceedings the claim of inadmissibility is being made on the basis that the opponents are not related. In my opinion, joint opponents do not have to be related. If they choose to come together to oppose the registration of a trade mark for which they claim to share a common interest (in this case, they claim to be the proprietor and distributor of goods bearing the trade mark MARIE CLAIRE), then I see no reason to disallow their joint opposition. The absence of specific provision for joint oppositions in the legislation cannot be read as meaning that they are prohibited. While the legislation does not expressly provide for them, neither does it expressly prohibit them. In any event, I am satisfied that the Interpretation Act, 2005 allows for joint opponents.

34. It is not for me to address here the specific questions raised by Mr. Smyth concerning the administrative workings of joint oppositions, save to say that, in my view, the asking of those questions cannot be a justification for not allowing a joint opposition. I am satisfied that, irrespective of which party succeeds in these proceedings, the answers to those questions will become apparent in due course. I have no hesitation in deeming the instant opposition admissible and would add that, in my opinion, joint oppositions would, where circumstances permit, also be desirable, insofar as significant time and cost savings could be achieved and unnecessary repetition avoided.
35. Both parties referred to the two oppositions taken against Brandwell's trade mark application of 27 January, 1993 for MARIE CLAIRE. There was common ground that Brandwell's application was refused on the basis that Brandwell could not claim to be the proprietor of the MARIE CLAIRE mark in Ireland, as the MARIE CLAIRE trade mark for the goods in question was, at the date of filing of the Brandwell application, the property of Aznar. However, Mr. Smyth argued that the Controller was, in those earlier oppositions, examining the proprietorship of the MARIE CLAIRE trade mark as between the manufacturer/supplier (Aznar) and a distributor (Brandwell), and not between Aznar and the then Opponent, Montagute.
36. I do not agree with Mr. Smyth's interpretation of the Controller's earlier decision. Those proceedings were not a knockout competition in which the winners of the bout concerning the proprietorship of the MARIE CLAIRE trade mark (either Aznar or Brandwell), got to fight with Montagute for the title of "the undisputed proprietor of the MARIE CLAIRE trade mark".
37. It is clear that Mr. Cleary, acting for the Controller, fully considered the evidence filed by Montagute in support of its claim to proprietorship of the MARIE CLAIRE trade mark in

Ireland, for the goods at issue, under Section 19 of the Trade Marks Act 1963. He found that Montagute had no valid claim to proprietorship of the MARIE CLAIRE trade mark and dismissed the opposition under that Section, finding in his written grounds¹ as follows:

“...In my view, the evidence does not prove use of the mark in Ireland. There is no evidence of sales of any products under the mark in this country, nor is it claimed that any such products were ever sold here. ... In the absence of any evidence of use of, or reputation in, the Opponent’s (Montagute’s) mark in this country, I find that the objection under Section 19 is not supported and I would dismiss the Opposition under that Section.”

Ownership

38. The Applicant and the Opponents claim ownership of the MARIE CLAIRE trade mark in Ireland, the former by virtue of being granted the authority to apply for the mark by MCA, the publishers of the well-known fashion magazine bearing the MARIE CLAIRE name, and the latter by virtue of the sale of hosiery, lingerie and swimwear under the name in Ireland since 1992.

39. In his submission at the hearing Mr. Smyth maintained that MCA have a reputation in and have used the MARIE CLAIRE name on magazines dating back to the late 1980’s. This was confirmed by Mr. Cleary in deciding the earlier proceedings where Mr. Cleary found that sales of the MARIE CLAIRE magazine, in the order of some thousands per month, would have been sufficient to ensure that that MCA’s mark was known to a substantial number of people at the date of the Application (27 January 1993). Mr. Smyth pointed to the nexus that exists between a fashion magazine and clothing and headgear, such nexus being recognised by the Office for Harmonisation in the Internal Market (OHIM) in a Board of Appeal decision in respect of an application dated 1 July, 1996.

40. It is clear from the evidence that MCA licence the use of their MARIE CLAIRE trade mark for clothing and headgear and that the Applicant manufactures clothing bearing that name and sells it in a number of countries, though it has never done so in Ireland. It is the Applicant’s contention that, under a similar licensing agreement for Ireland, they have a right to use the mark in this jurisdiction on clothing and headgear.

¹ At paragraph 13 (page 19) of the Written Grounds dated 3 February 2003.

41. Mr. Coughlan maintains that the test of ownership of a trade mark was laid down by O’Sullivan J in *Montex Holdings Ltd. V. Controller of Patents*² in the following terms:

“I further accept that the test of ownership in the mark is that ownership vests in the party first using it in this jurisdiction. In this I am following Morritt LJ in Al Bassam Trademark (1995) RPC 511 at p. 22 where he said:-

‘Accordingly it is necessary to start with the common law principles applicable to the ownership of unregistered marks. They are not in doubt and may be shortly stated. First the owner of a mark which has been used in conjunction with goods will be who first used it. Thus in Nicholson & Son Limited’s application (1931) 48 RPC 227 at p. 253, Lawrence LJ said:-

‘The cases to which I have referred (and there are others to like effect) show that it was firmly established at the time when the Act of 1875 was passed that a trader acquired a right of property in a distinctive mark merely by using it upon or in connection with his goods irrespective of the length of such user and of the extent of his trade and that such right of property would be protected by an injunction restraining any other person from using the mark.’”

42. He argued that ownership conferred by first use at common law pertains to the goods in respect of which use was effected. The fact that MARIE CLAIRE was used by MCA in respect of magazines does not have any relevance in respect of hosiery, lingerie or swimwear. He pointed to the decision of Clarke J in *Jaguar Cars Ltd. v. Controller of Patents*³, where the plaintiffs, who were the owners of the registered trade mark JAGUAR for cars, were unsuccessful in their opposition to an application by the second defendant pertaining to watches, wherein Clarke J observed:

“Against that background it is argued on behalf of the plaintiffs that the authorities to which I have referred do not contemplate a “de minimis” rule, so that even a very limited use of the mark in respect of watches would be sufficient to establish ownership in the plaintiffs and thus exclude any entitlement of the second defendant.

I do not agree that the above is an appropriate reading of the authorities. It is clear from the passages to which I have referred that the scale of the business concerned is not material. A small business (even a very small business) was and is prima facie entitled to the ownership

² [2000] 1 IR 586

of a mark which it has applied to what was described by Lawrence LJ in Nicholson as “some vendible article”. It seems to me that that test imports a requirement that the use be for something that can realistically be called a business. It may be a very small business. Of more relevance to this case it may also be a very small part of a much larger business. But it must be a business. On the evidence I am not satisfied that it has been established that the plaintiffs had any business (however small) in the sale of watches bearing the JAGUAR mark, or any variant thereon, in this jurisdiction prior to the date of application. In those circumstances I am not satisfied that the plaintiffs can be said to be, as of the date of application, the owner of the mark so as to exclude the entitlements of the second defendant to apply for registration in respect of an intended use of the same mark. On that basis it does not appear to me to be appropriate to reject the application of the second defendant on that ground.”

43. The Applicant has claimed that a nexus exists between magazines and clothing and that such a connection is sufficient to justification claims of ownership. I do not accept that proposition. In my view, magazines are not similar to clothing and headgear. Consumers understand the difference between the publication business, which is where MCA operates, and the clothing industry, and consumers do not establish links between publishers who cover particular items in their magazines and traders who actually trade in these items. While consumers of fashion publications and clothing are the same, the goods themselves are different and the trade channels are different. Similarly, while consumers of the Irish magazine “Maternity & Infant” and users of maternity hospitals are similar, the goods/services are different as are the trade channels, and readers of that magazine do not believe a nexus exists between the magazine publishers and the service of delivering babies. No evidence has been adduced to lead me to conclude that, at the time of filing of the application, the Applicant or MCA were the owners of the MARIE CLAIRE trade mark for clothing and headgear in Ireland.

44. Any company is entitled to licence their trade marks for use by another or give consent to a third party to apply for registration of the trade mark. However, trade marks are goods-and-services-specific and any licensing agreement can only have standing if it is in respect of the actual goods or services, or goods or services similar to those, for which the mark is owned. I do not accept that MCA have the right to grant authority to a third party to use that trade mark on clothing and headgear in Ireland. The fact that MCA earn revenue from licensing

³ [2006] 1 IR 607.

agreements for the use of their MARIE CLAIRE trade mark on clothing in other jurisdictions is, in my opinion, fortunate for them, but nonetheless irrelevant.

Bad Faith

45. So far as is material, Section 8(4)(b) of the Act provides that:

“A trade mark shall not be registered if or to the extent that-

...

(b) The application for registration is made in bad faith by the Applicant.”

46. There is no legal definition of “*bad faith*”, but it is accepted that it constitutes dishonesty, including dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. In order to determine whether there was bad faith I must consider the Applicant’s intention at the time it filed the application for registration. However, due to the assignment of the application to a number of different entities, no evidence has been adduced by the Applicant as to the intentions of Montagute (the original Applicant) on the date of filing.

47. In their Notice of Opposition the Opponents claim that the opposed application was filed in bad faith since, at the date of filing, the Applicant knew that it could not legitimately claim to be the proprietor of the trade mark MARIE CLAIRE in Ireland and was aware that the mark applied for was not free for use in the State in relation to the goods covered by the opposed application. At the Hearing Mr. Coughlan linked the bad faith ground to the ground of opposition relating to Section 37(2) of the Act, concerning the current use of, or a *bona fide* intention to use, the trade mark, arguing that bad faith exists where the Applicant seeks registration without having a *bona fide* intention of using the mark. He went further and argued that the absence of a *bona fide* intention to use the mark, coupled with an intention to block someone else from obtaining the mark, can also constitute bad faith.

48. I shall deal with the “intention to use” aspect first. Section 37(2) of the Act requires an applicant for registration of a trade mark to include in the application a statement that the trade mark is being used, by or with the consent of the applicant, in relation to the goods or services specified in the application, or that the applicant has a *bona fide* intention that it should be so used. The Opponents have raised objection under these provisions, claiming that the Applicant did not have a *bona fide* intention to use the trade mark applied for in relation to the goods of the

application. Put simply, the Opponents are claiming that the Applicant lied in making its statement of intended use of its trade mark when it filed the present application for registration. However, the fact is that the application contained the statement required by Section 37(2) and no objection can lie against it based on that provision.

49. I am satisfied that when the Applicant filed its application it had every intention of using the trade mark, should it become registered. While no evidence of use in Ireland, prior to the date of filing of the application, was offered by the Applicant, it is clear that it was already using the MARIE CLAIRE trade mark for clothing in other jurisdictions and I have no reason to doubt that it would have expanded its operations to Ireland, if allowed do so. Having decided that the Applicant did, indeed, have a *bona fide* intention to use the mark, the argument concerning the coupling of the lack of intention to use with an intention to block someone else from obtaining the mark is redundant, so I need not address it.

50. Before turning to the question of whether the Applicant knew that it could not legitimately claim to be the proprietor of the trade mark MARIE CLAIRE in Ireland and that the Applicant was aware that the mark applied for was not free for use in the State, I shall address the response by the Applicant in defence of the claim that it acted in bad faith. It is well established that a failure by the person, against whom the charge is levelled, to address it or matters relied upon in support of it can be taken into account. In *Montex Holdings Ltd. v. Controller of Patents*⁴ O’Sullivan J held:

“In my opinion, the use of the word DIESEL in connection with jeans and other clothing is not self-explanatory. Counsel for the Opponent suggested the Applicant might have come across the Mark at a trade fair or in some such informal way. Whilst it is of course conceivable that the selection by Monaghan Textiles Limited of this word to use as a mark in connection with precisely the same range of clothing and for the same market in exactly the same way as had been done by the Opponent was a mere coincidence, such of itself would have required an explanation on the part of the Applicant. Once, however, a charge of lack of bona fides against the Applicant was made, on this ground, on behalf of the Opponent there could be no doubt, in my view, that such a charge required refutation. Michael Heery was a Director of Monaghan Textiles Limited and was therefore in a position to afford such a refutation if it existed. He did not do so in his declaration made in

⁴ [2000] 1 IR 588

response to the Opponents case. Even if it could be suggested that this might have been an oversight (and I would not agree that it could be so suggested) there can be no overlooking the fact that Renzo Rosso repeated the charge in a further subsequent declaration and effectively challenged the Applicants to deny the charge by pointing out that “Mr Heery in his declaration has not attempted to provide any explanation as to how the trademark DIESEL came to be adopted by the Applicant or its alleged predecessor in business.”

As indicated Michael Heery has sworn a subsequent Affidavit, but once again, he has not attempted to defend or even allude to this serious allegation.

In these circumstances I am not satisfied on the evidence before me that the Applicants proposed user of the mark is bona fides and on this ground I would refuse permission for the proposed registration.”

51. Mr. Coughlan argued that the most which Mr. Van Ravels, on behalf of the Applicant, could muster in response was the claim:

“The Applicant is entitled to use the MARIE CLAIRE Trade Mark in the Republic of Ireland and in relation to the goods of Application. The first Opponent has not proven a reputation and any resultant common law rights as of 15 October 1997. Consequently, and having regard to the proven reputation or proprietorship of the MARIE CLAIRE Trade Mark by MCA, there was no bad faith in the filing of the subject Trade Mark Application. There was a clear intention to use the MARIE CLAIRE trade mark on the goods of the Application. I attach to this my Statutory Declaration and which I have exhibited as Exhibit “F”, a copy of brand development literature and presentation books produced by MCA and which provides a brief history of the MARIE CLAIRE Trade Mark and the importance attached to licensing.”

...

In view of the reputation enjoyed by MCA under the MARIE CLAIRE Trade Mark and with the full agreement of MCA, Montagute had the authority and was fully entitled to file the subject Trade Mark Application. Such an Application was filed in good faith and with the intention to use. I attach to this my statutory declaration and which I have identified as Exhibit “H”, a copy of the statutory declarations of Leo Gros dated 17 September 1996 and 13 February 1997 which was the evidence produced by Montagute in their successful opposition to the aforesaid Irish Trade Mark application No. 157500.”

52. According to Mr. Coughlan this is manifestly deficient, not least because – as was held by the Court of Justice in *Lindt*⁵ – the issue of bad faith has to be assessed as of the date of the application (15 October 1997), and by reference to the conduct of Montagute as the entity that applied for registration. Mr. Van Ravels does not claim that he was an officer of Montagute at the time or indeed that he had any first-hand knowledge of Montagute’s application when it was made. Mr. Coughlan claims that Mr. Van Ravels is not in a position to speak for Montagute and in particular to address with direct evidence the serious issue of bad faith. He goes further and argues that the exhibiting of Statutory Declarations made by Mr. Leo Gros in the course of Montagute’s opposition to Brandwell’s earlier application does not constitute evidence given by Montagute in respect of the present application. Furthermore, they predate the present application and say absolutely nothing about Montagute’s motivations as regards this application or any supposed intention on its part to use the mark MARIE CLAIRE in Ireland.
53. Mr. Coughlan claims that Arnaud de Contades is likewise sparse and uninformative, in dealing with the claims of bad faith, in his Statutory Declaration on behalf of MCA, wherein he claims that, on and prior to 15 October 1997, MCA had an unwritten agreement with Montagute whereby Montagute had the full authority of MCA to use the MARIE CLAIRE trade mark in relation to clothing and headgear in a number of countries, including Ireland and that Montagute also had the full authority and the permission of MCA to file in their own name, Irish Trade Mark Application No. 237019.
54. In Mr. Coughlan’s opinion what is most significant is the obvious omissions and frailties in the Applicant’s response to the charge of bad faith specifically and extensively identified in Mr. Tejedo’s 2010 Statutory Declaration, wherein Mr. Tejedo drew attention to:
- a. Montagute’s awareness at the date of filing its application as to the use of the earlier MARIE CLAIRE trade mark and that it could not claim to be the proprietor of the mark MARIE CLAIRE;
 - b. The motivation behind Montagute’s application being to prevent the registration of the earlier MARIE CLAIRE trade mark should Brandwell’s application be rejected;
 - c. The absence of any sworn Declaration from an officer of Montagute attesting to the reasons why Montagute filed the present application and addressing the issue of bad faith;

⁵ *Chocoladefabriken Lindt & Sprungli AG v. franz Hauswirth GmbH* in Case C-529/07

- d. The absence of any evidence showing that Montagute, the Applicant or any of the intervening entities in the latter's alleged chain of title ever sold so much as a single item of clothing or headgear in Ireland under the mark MARIE CLAIRE since the present application was filed;
- e. The failure to reconcile the absence of the evidence referred to at (d) with the assertion that there was a genuine intention to use when the application was filed; and
- f. The inconsistency as between the assertion that Montagute had the authority of MCA to apply for the mark MARIE CLAIRE and the alleged entitlement on the behalf of Montagute to effect the assignment that ultimately led to the Applicant pursuing the present application.

55. Mr. Coughlan contends that, notwithstanding the foregoing, and that these matters directly concerned an express allegation of bad faith, no further evidence was filed on behalf of the Applicant. The consequences of this must be that an adverse inference should be drawn against the application on the basis identified by O'Sullivan J in *Montex Holdings Ltd v. Controller of Patents*.

56. It is for the Applicant to adduce whatever evidence it desires in response to the charge of bad faith. In these proceedings the Applicant has chosen to deny the charge and claim a right to file the application by virtue of having been granted authority to do so by MCA, who in turn, claim rights in the trade mark by virtue of its ownership of the MARIE CLAIRE trade mark in respect of magazines. Failure to deal adequately with the charge is a factor that should be taken into account when deciding the matter. But has the Applicant failed to adequately address the charge? I think not. While little evidence has been submitted by the Applicant, what was provided is sufficient to allow me to understand the Applicant's rationale in making the application. Having said that, the issue is whether that rationale is justified and sufficient to overcome the charge of bad faith.

57. Mr. Smyth addressed the issue of bad faith by firstly arguing that the existence of an earlier Trade Mark Application is only a bar to a subsequent Trade Mark Application if it itself proceeds to registration. This is catered for in legislation where, under Section 11(2) of the Act, it specifically states:

“References in this Act to an earlier trade mark include references to a trade mark in respect of which an application for registration has been made and which, subject to its being registered, would be an earlier trade mark by virtue of subsection (1) (a) or (b).”

58. Thus, an applicant, in determining whether or not to file a trade mark application, is entitled to make a determination on whether or not the existing trade mark application is likely to be successful and become an earlier trade mark within the meaning of the Act. The Applicant made such a determination in respect of Irish Trade Mark Application No. 157500 and Community Trade Mark Application No. 77966, and was proved right, as both applications did not mature to registration, and consequently have not been raised in opposition to the present application.
59. Mr. Smyth claims, that in a bizarre manner, the Opponents are seeking to extend the boundaries of what constitutes a basis for opposition to a failed Trade Mark Application through the back door of a claim to bad faith. At the time of filing there had been no determination in relation to Irish Trade Mark Application No. 157500. This includes no determination on the evidence of user furnished in support of this Application and also no determination on the grounds of opposition. He goes on to claim that the filing of the subject Trade Mark Application was also made against the background that there was a change in legislation governing the registrability of trade marks and which has different criteria in relation to the determination of proprietorship including, for example, Section 15(3) which recognises that a person may have earlier use, which can be asserted as a defence to trade mark infringement, but still not succeed in opposition to a trade mark application. Also, the Applicant filed the application with the consent of the owner of the MARIE CLAIRE trade mark who had a reputation in magazines and, following a change in legislation, protection afforded to a Trade Mark Registration could extend to ever dissimilar goods.
60. It is against this background that the Applicant was fully justified in seeking to build protection by best preserving its position in the filing of a trade mark application under the Act. Indeed, Mr. Smyth maintained that it would be a legitimate commercial practice to seek to do so in order to prevent trade mark registration by the Opponent and suggests that it smacks more of frustration by the Opponent that they did not see fit to explore the opportunity of seeking to register themselves under the 1996 Act, until perhaps it is too late. The tactical decision on the filing of the trade mark application in the factual circumstances could not in any circumstances amount to bad faith as we know it. The Applicant has not acted in a dishonest manner in seeking to avail of trade mark registration where the Opponent has previously failed.

61. Mr. Smyth accepted that the Applicant was aware of the use by the Opponent, but the Applicant was also aware of the use by MCA and with that party's consent sought to register the MARIE CLAIRE trade mark in respect of goods which, through a reputation in respect of magazines prior to the date of the application, leads to a nexus in the public mind with clothing. He maintained it would be a farcical situation if there is a reputation which extended protection to clothing but at the same time not possible to register the MARIE CLAIRE trade mark in relation to clothing.
62. Mr. Smyth referred to the Controller's decision in ZIMOCLONE⁶ in which, ironically, Mr. Coughlan argued that the adoption by an undertaking of a mark that is alleged to be similar to that of a competitor cannot of itself be construed as an act of bad faith. If it were, Mr. Coughlan argued in that case, then every application that met objection on the basis of earlier rights would be open to the charge that it was made in bad faith and would be liable to be refused even if it was ultimately decided that the earlier right in question did not constitute an obstacle to the registration of the later mark. In ZIMOCLONE the Controller was satisfied that the Applicant was fully aware of the Opponent's product when choosing the name for its competing product but nevertheless it is no more than a normal and legitimate act of commercial competition.
63. I do not agree with Mr. Smyth's take on Section 15(3) of the Act, which is written in the following terms: "*A registered trade mark shall not be infringed by the use in the course of trade in a particular locality of an earlier right which applies only in that locality*". There is no mention of opposition in that Section and, in my opinion, no construction can be put on it to the effect that it extends, or relates in some way, to opposition proceedings. The Section deals with infringement of Registered Trade Marks, which can only come into being, post any opposition proceedings. Also, I may have overlooked something, but I cannot identify the change in legislation referred to by Mr. Smyth that provides for the extension of protection afforded to a Trade Mark Registration to "ever dissimilar goods".
64. It is well established that the issue of bad faith must be considered by reference to the motivations of the Applicant at the date of application. In the instant case there is little to go on in that regard, as no evidence was adduced by the original Applicant (Montagute) to cast light on the issue. What was submitted are two Statutory Declarations of Leo Gros (of Montagute),

⁶ Application by McDermott Laboratories Ltd and opposition thereto by May & Baker Limited [2006] E.T.M.R. 17

which predate the filing of the subject application, that were made in respect of the previous proceedings, which, according to the Mr. Coughlan, should be deemed irrelevant. The Applicant argues that these are admissible and were not resworn for reasons of expediency and efficiency. I am happy to accept these declarations on the basis that what was known on the date of swearing could not become unknown by the date of filing of the present application. It is clear that, at the date of filing of the application, Leo Gros knew of the substantial turnover and promotional expenditure, between 1992 and February 1997, in respect of the Opponents' use of the MARIE CLAIRE trade mark on hosiery, lingerie and swimwear.

65. There are a number of strands to the Opponents' claims of bad faith. I have already decided that there is no reason to doubt the Applicant would use the mark, if its application proceeded to registration, so I reject the grounds of bad faith based on a lack of intention to use the mark. I have also found that neither the Applicant nor MCA has any right to claim proprietorship of the MARIE CLAIRE trade mark in Ireland in respect of clothing and headgear and that I am satisfied that, at the date of filing of the application, the Applicant was fully aware of the substantial use by the Opponents of the MARIE CLAIRE trade mark in relation to hosiery, lingerie and swimwear. The question of bad faith now rests on whether the lack of right to proprietorship, coupled with what the Applicant knew at the relevant date, constitutes bad faith. In order for bad faith to be proven, some misconduct on the part of the Applicant must either be shown by evidence adduced by the Opponent or it must be an inescapable inference drawn from the circumstances of the application.

66. The Applicant maintains that its filing of the application constitutes a normal and legitimate act of commercial competition and suggests that the Controller's decision in ZIMOCLONE supports such action. However, the circumstances of ZIMOCLONE are not repeated in this case. In those proceedings the Controller found that perhaps the Applicant chose a similar name to convey the message to potential customers that the product so marked was similar in nature to the Opponent's product ZIMOVANE, but was, in effect, an alternative to that product. In the present case we are not dealing with similarity. The Applicant's mark is identical to that of the Opponents and the goods are also identical, which is a very important distinction and one that has huge bearing on this case.

67. Competition is good for consumers. Oftentimes a new business will open up extremely close to an existing similar business. One can open up a fast-food restaurant next door to a "McDonalds", but what is not acceptable is to do so and then trade under the McDonalds trade

mark. The Applicant's argument that the Opponents' failure to protect their trade mark, by applying for registration, is justification for their application does not hold much weight. There is no requirement to register a trade mark in order to establish rights in it, though I hasten to add it does make good business sense to do so. Rights to ownership exist outside of the formal registration system. Just because someone does not protect their bicycle by locking it to the railings does not mean that someone else is entitled to come along and use it.

68. The Applicant has argued that its application does not lack *bona fides* and describes its actions as a normal and legitimate act of commercial competition. However, at the date of application, it is clear to me that the two parties were not actually in competition. At the relevant date the Applicant was fully aware of the position of the Opponent in the Irish marketplace and the extent to which the MARIE CLAIRE mark has gained custom, goodwill and a reputation in respect of hosiery, lingerie and swimwear; but the Applicant itself was not trading in the goods covered by the application nor had it any reputation in these goods. Therefore there was no competition. While it is legitimate for an existing business to attempt to stop competitors from gaining market share or entering the market, it is another thing for a non-trading business to attempt to do damage to an existing competitor's business by using the competitor's trade mark.
69. Both parties agree that the test of what constitutes bad faith can be defined as dishonesty, including dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. In today's world what constitutes dishonesty for one businessman might be perfectly acceptable business behaviour for another. So, I will be guided by the word "reasonable". In my opinion, reasonable men do not attempt to take for themselves that which is the property of another. I find that the Applicant's actions do not match up to the standards of acceptable behaviour of reasonable men and I am satisfied that the Applicant acted in bad faith in making the application, contrary to Section 8(4)(b) of the Act. Accordingly, I refuse to allow the application to proceed to registration.

Passing Off

70. Having found that the application offends against the bad faith provisions of the Act, I do not have to consider the matter in terms of the provisions of Section 10(4)(a) of the Act, which deals with passing off. However, lest on appeal the Court finds that I have erred in my judgement I shall consider the opposition on that ground.

71. Section 10(4)(a) of the Act is written in the following terms:

“A trade mark shall not be registered if, or to the extent that, its use in the State 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.”

72. At the Hearing Mr. Coughlan emphasised the importance that Section 10(4)(a) is not concerned with whether passing off has actually taken place, but is directed towards the question as to whether registration should be permitted and so it is concerned with what would be the situation if the mark applied for was used. In *Miss World*⁷ Laffoy J Ltd quoted from and applied the three part test formulated by Lord Oliver in *Reckitt & Colman Products Limited v. Borden Inc. & Others*⁸ (the so-called “*Jif Lemon*” case). In his speech (at p. 880) Lord Oliver said:

“The law of passing off can be summarised in one short proposition, no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying “get-up” (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get up is recognised by the public as distinctive specifically of the plaintiff’s goods or services. Second, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or

⁷ *Miss World Ltd. v. Miss Ireland Beauty Pageant Ltd* [2004] 2 IR 394

⁸ [1990] 1 All ER 873

services of the plaintiff. Whether the public is aware of the plaintiff's identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the plaintiff. For example, if the public is accustomed to rely on a particular brand name in purchasing goods of a particular description, it matters not at all that there is little or no public awareness of the identity of the proprietor of the brand name. Third, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."

73. According to Mr. Coughlan there has been direct sales and promotion in the present case, which have given rise to a significant and valuable goodwill in the State. Figures in respect of turnover and advertising expenditure in Ireland for goods bearing the MARIE CLAIRE mark have been provided going back to 1992. Sales have been effected throughout the country and prior to the relevant date advertisements were carried in a wide variety of publications that were specific to Ireland. The total turnover in respect of sales in Ireland during the years 1992-1997 amount to €2,761,280. He argued that it is impossible to see how it could be contended with any degree of seriousness that the use of the MARIE CLAIRE mark by the Applicant in respect of clothing and headgear (which are identical goods to those of the Opponents) would not lead members of the trade or the general public to conclude erroneously that the Applicant's goods were those of MCSA or associated with MCSA.
74. For his part Mr. Smyth argued that a heavy evidential onus in proving passing off lies with the Plaintiff (in this case the Opponent). While accepting there was use of the MARIE CLAIRE trade mark on clothing by the Opponents prior to the relevant date, he maintained that there is a distinction between use and reputation. There is no independent third party evidence, no evidence as to market share, no evidence from Chambers of Commerce, industry or other trade or professional associates, no survey evidence. Mr. Smyth casts doubt on the pertinence of certain of the Opponents' evidence and highlighted a discrepancy in relation to the list of customers of the Opponents as between what was submitted under Rule 20 by Vicente Tejedó and by Sean Mahon under Rule 22.
75. Even if reputation is proven (which the Applicant denies) the requirements of passing off are such that there must be misrepresentation, mere confusion is not sufficient. In support of this argument Mr. Smyth referred me to two texts "The Law of Passing Off" by Christopher

Wadlaw and the authoritative Kerly, wherein each a distinction is drawn between passing off and confusion and wherein both state that no one is entitled to be protected against confusion as such. This is the line taken in *HFC Bank Plc v. Midland Bank Plc*⁹ by Lloyd J who explained the distinction to the effect that confusion does not prove misrepresentation but only shows “*that people make assumptions, jump to unjustified conclusions and put two and two together to make five*”.

76. In defending the charge Mr. Smyth relied on the argument that the reputation enjoyed by MCA in magazines (which was recognised by the Controller in the earlier proceedings) created a nexus in the minds of the public that they were just as likely to believe that clothing under the MARIE CLAIRE trade mark originated from the entity with that reputation or with that entity’s consent. This nexus was recognised by the Board of Appeal of OHIM which upheld statutory rights extending to clothing, because of reputation and the nexus between magazines and clothing, from a date at least as early as 1 April, 1996. In proceedings before that office, a case for detriment to the distinctive character and unfair advantage had been made out in relation to any use that the Opponent might wish to make in relation to clothing. MCA granted authority to the Applicant to file the application and the Applicant is entitled to avail of the same defences to a passing off action under common law. To declare otherwise would mean that MCA could not give authority to use the mark on clothing to any third party without risking a passing off action. This would be a bizarre conclusion because the very fact that a Licence Agreement is in place strengthens the conclusion of a nexus between the two sets of goods. Therefore, he maintained, this is not a scenario of misrepresentation or deception.
77. Section 10(4) prohibits the registration of marks the use of which is liable to be prevented under the law of passing off; whether use of a mark should actually be prevented under that law is a matter for the Court to decide in a given case and, in so deciding, the Court is performing a different function to that performed by the Controller when considering an application for registration. In my opinion, the proper application of Section 10(4) insofar as the question of passing off is concerned requires a determination by the Controller as to whether the fundamental ingredients of an action for passing off would be present if the mark for which registration is requested were used in the State by the Applicant.

⁹ [2000] FSR 176

78. There are three key elements to be considered in passing off - reputation, misrepresentation and damage. Looking firstly at reputation, and I do so in the full knowledge that use does not necessarily equate to reputation, I am satisfied that, at the relevant date, the Opponent had a reputation in the MARIE CLAIRE trade mark for clothing by virtue of significant turnover, expenditure on promotion and wide geographic distribution of goods bearing that mark. The Opponents' goods were offered for sale in leading department stores and multiples (invoices were submitted in respect of Arnotts, Roches Stores, Shaws, Londis/Centra and Pettitts) among others. While no indication of the market share is given, the turnover figures themselves are impressive (over €2.7 million from 1992-1997) and, bearing in mind the relatively inexpensive nature of the goods, suggest significant unit sales. I am satisfied that the Opponents' use of the MAIRE CLAIRE trade mark on clothing goes beyond mere use and extends to having a reputation for the purposes of considering an action for passing off.

79. Turning now to misrepresentation. The Applicant argues that there can be confusion without misrepresentation. I take this to mean that the Applicant accepts that confusion would arise if the Applicant's application proceeds to registration, but such confusion would not extend to a finding of misrepresentation. In my opinion for confusion to exist there must be something that would cause consumers to wonder. That something is a degree of difference. Consumers might be confused when encountering a mark similar to a familiar mark in respect of the same goods or when encountering an identical mark on similar goods. In both these scenarios the confusion is triggered by a difference. The instant case concerns double identity – identical mark on identical goods. The legislation allows similarity, providing it does not lead to confusion, but does not allow double identity, save where the earlier rights holder consents to the registration of the later mark or where there are unopposed claims to Honest Concurrent Use, neither of which applies here.

80. If a consumer selects for purchase a chocolate bar bearing the trade mark KIT KAT, he does so in the full knowledge that the product originates from a particular source, which happens to be Nestlé. There is absolutely no reason for him to wonder if his knowledge is correct. If he subsequently discovers that the product did not originate from Nestlé, he is not guilty of making a false assumption or of putting two and two together and coming up with five. He has put chocolate bar and KIT KAT together and came up with Nestlé, which is the correct answer. He was not confused, he was duped.

81. Therefore, in my opinion, if the Applicant was to trade in clothing and headgear under the MARIE CLAIRE trade mark I am satisfied that it would lead consumers to believe erroneously that the Applicant's goods were those of MCSA or associated with MCSA. This would constitute the type of misrepresentation that the law off passing off seeks to avoid.
82. Finally, I must consider whether such misrepresentation would result in damage to the Opponents' business or goodwill. In my opinion, the Opponents has used the MARIE CLAIRE mark extensively and have sufficient customers to justify their claim to have a vested right in the MARIE CLAIRE trade mark for use on clothing. They are entitled to retain and expand that use and custom. They are entitled to be protected against it being taken away or dissipated by someone whose deceptive conduct would create a misrepresentation of origin in the minds of existing or potential customers. I am satisfied that use of the MARIE CLAIRE trade mark by the Applicant on clothing and headgear in the State would cause damage to the Opponents' business and therefore, I find that the ingredients for an action for passing off exist. Accordingly, I must refuse the Application on the grounds that it offends against Section 10(4)(a) of the Act.

Dermot Doyle

Acting for the Controller

10 July, 2013