BL O/0052/25

IN THE MATTER OF THE TRADE MARKS ACT 1994

AND IN THE MATTER OF CONSOLIDATED PROCEEDINGS CONCERNING:

(1) TRADE MARK APPLICATION NO 3679818
IN THE NAME OF MAYA APPLIANCES PVT. LTD
AND
OPPOSITION THERETO (UNDER NO 600001947) BY PRAPAHARAN SIVARATNAM

&

(2) TRADE MARK REGISTRATION NO 3613739
IN THE NAME OF PRAPAHARAN SIVARATNAM
AND
APPLICATION FOR CANCELLATION THEREOF (UNDER NO. 504655)
BY MAYA APPLIANCES PVT. LTD

APPEAL FROM THE DECISION OF BEVERLEY HEDLEY ON BEHALF OF THE REGISTRAR OF TRADE MARKS DATED 31 JANUARY 2024

DECISION OF THE APPOINTED PERSON

1. The Decision of the Hearing Officer is reported under O-0079-24. I adopt large parts of the Hearing Officer's decision in my summary of the basic facts and procedural history of this case given below.

2. The appeal concerns two consolidated cases; one case is an Opposition, the other is an Application for Cancellation. The parties to the dispute are Prapaharan Sivaratnam (referred to by the Hearing Officer as 'Party A', but whom I

will call Mr Sivaratnam) and Maya Appliances Pvt. Ltd (referred to by the Hearing Officer as 'Party B', but whom I will call 'Maya').

3. On 10 August 2021, Maya applied to register Trade Mark No: 3679818 ('818)

VIDIEM

For the following goods:

Class 7 : Electric food processors; machines for household use including mixer and juicer, grinder, crusher, hand blender, electric food blenders, wet grinders, tabletop wet grinders, mixing machine for kitchen, their parts and components including attachments and jars.

Class 21: Domestic kitchen appliances and apparatus, namely, kitchen utensils, namely, non-electric kitchen utensils with or without non-stick coating, namely, sauce pans, sauce pots, frying pans, woks, topes, kadais, griddles and tawas for pan cakes; non-electric milk boilers, non-electric idli plates, non-electric idli cookers, non-electric rice cookers, sauce pan, sauce pot, skillets, non-electric pressure cookers, non-electric pressure pans, non-electric kettles; non-electric water heating kettles; non-electric tea kettles.

4. The application was published in the Trade Marks Journal on 17 September 2021 for opposition purposes and subsequently opposed by Mr Sivaratnam under the Fast Track opposition procedure.

5. Mr Sivaratnam opposed the mark in respect of the goods in class 7 (essentially food processing, grinding and mixing equipment) on the basis of section 5(1) of the Trade Marks Act 1994 ('the Act').

6. The Opposition was based on Registered Trade Mark 3613739 ('739), which is an 'earlier mark' as defined by section 6 of the Act:

registered for the following goods in class 7:

Machines for household use and for use in the kitchen; Coffee grinders, Grinders, Mixer grinders, Wet grinders, Domestic food mixers, Domestic grinders, Electric coffee grinders, Electric food grinders, Electrical coffee grinders, Fruit grinders, Grain mixers, Kitchen grinders, Spice grinders.

7. The '739 Mark was filed on 21 March 2021and registered on 08 October 2021.

8. Not surprisingly Maya accepted that the goods in class 7 were identical. However, on 10 March 2022 it brought Cancellation Proceedings challenging the validity of Mr Sivaratnam's '739 Mark on the basis (i) that its use would amount to passing off (s5(4) of the Trade Marks Act 1994) and (ii) that it was applied for in bad faith (s3(6) of the Trade Marks Act 1994).

9. Under section 5(4)(a), Maya said that it owned goodwill in the United Kingdom because it had used the sign VIDIEM throughout the UK since 2021 in relation to, in particular, 'Electric food processors; machines for household use including mixer and juicer, grinder, crusher, hand blender, electric food blenders, wet grinders, tabletop wet grinders, mixing machine for kitchen, their parts and components including attachments and jars'. It said that use by Mr Sivaratnam of his '739 mark would lead to misrepresentation and damage to the goodwill vested in Party B's business.

10. The pleaded basis of the s3(6) objection may be summarised as follows: Mr Sivaratnam's business is as an importer of foodstuffs from the Indian subcontinent to the United Kingdom. Maya had at all material times a substantial and well-known business in the manufacture and sale of food processing equipment in the Indian subcontinent, all sold under the word mark VIDIEM. The

word VIDIEM is a word with no natural meaning and appears in no other trade mark on the Register. It bears no relationship at all to the existing marks used by Mr Sivaratnam for his business. The goods for which the '739 mark were applied for in class 7 are quite specific and include unique terminology ('wet grinders') used in India to describe Maya's manufactured goods.

11. Maya's case was that it was entirely implausible that Mr Sivaratnam had applied for the mark **VIDIEM** with no knowledge of Maya's mark and its business. The existence of the '729 mark on the UK Register would prevent Maya from commercialising its business in the United Kingdom (as it was intending to do amongst the Indian diaspora here). It alleged that Mr Sivaratnam had applied for the mark in an attempt to frustrate Party B's business expansion in the United Kingdom.

12. Party A's Counterstatement was summarised by the Hearing Officer as follows in paragraph 10 of her Decision:

- *Party A concedes that he has other registered trade marks which he uses in relation to certain food stuffs e.g. rice, pulses, dals, coconut related products and other Indian subcontinent groceries and products.*
- *He is planning to use the mark VIDIEM for home electrical and non-electrical appliances in class 7.*
- *The VIDIEM brand is made using a combination of the first three letters of each of his grandparents' names, VIDhyaluxmi and IEMathanu. The name was picked due to having sentimental value and 'numerology wise'. It is a new brand that he has made up.*
- *He has no interest in using the VIDIEM mark in India and will use the mark solely in the UK.*
- *[Party B] has no relevance to the UK and has no right to claim that he is aware of their business.*
- *He disagrees with the opponent's statement.*

13. Mr Sivaratnam filed no evidence in the proceedings and therefore this is the extent of the positive case which he advanced before the Hearing Officer. Because the Counterstatement was accompanied by a 'statement of truth', the Hearing Officer gave the allegations made in the Counterstatement the status of evidence, but, importantly, noted: *'That is not to say, though, that I should consider that evidence uncritically.'*

14. Maya filed evidence in the form of a witness statement in the name of Mr Ramakrishnan Narayanan (Assistant General Manager of Party B) with12 Annexes. Mr Sivaratnam filed no evidence. Neither party requested a hearing and the Hearing Officer therefore made her decision based on the papers before her.

15. The key question before the Hearing Officer was whether the Cancellation Action succeeded. If it did not, then there was no question that some of the goods of Maya's application were identical to some of the goods of Mr Sivaratnam's '739 application (notably the mixing machinery, wet grinders etc.) and therefore that Mr Sivaratnam's Opposition under s5(1) must succeed in part.

16. The Hearing Officer concluded (for reasons I will explain in a moment) that the Canellation Action failed. As a result the Opposition succeeded and Maya's Application was rejected in relation to the following goods in class 7:

    'Electric food processors; machines for household use including mixer and juicer, grinder, crusher, hand blender, electric food blenders, wet grinders, tabletop wet grinders, mixing machine for kitchen'.

17. I turn to the issues in the Cancellation Action and the reasons given by the Hearing Officer for rejecting it.

18. The case based on s5(4)(a) turned on the extent to which Maya could establish an actionable goodwill in the United Kingdom at the relevant date (21 March

2021). Mr Narayanan's evidence established that Maya was, by that date, actively engaged in establishing a business in the UK through a distributor. The relevant facts were as follows:

(i) On 01 September 2020, a non-exclusive Distributorship agreement was entered into between Maya and a company called Vego Foods Limited ('Vego') based in Stanmore in North London.
(ii) Vego placed their first order some time prior to 17 February 2021 for VIDIEM branded goods.
(iii) Maya received the first payment from Vego on 12 April 2021 in the amount of $1034411 in relation to a 20ft container of goods.
(iv) The first container was dispatched to Vego on 12 May 2021.

19. However, Maya could not establish that any goods had been available under the VIDIEM name in the United Kingdom prior to 21 March, nor that any advertising had been carried out. The only route by which Vidiem goods were said to have been available in the UK was through the Amazon platform, but the earliest date which could be given for this was July 2021.

20. Having considered this evidence, the Hearing Officer found that Maya had failed to establish an actionable goodwill in the United Kingdom as at the relevant date 21 March 2021 and concluded that no passing off claim could have been brought at that date against Mr Sivaratnam. The Cancellation under s5(4)(a) was therefore rejected.

21. Turning to the allegation of bad faith, the Hearing Officer stated as follows (paragraph 33 of her Decision):

'33) On the basis of the evidence before me showing the apparent links between Party A and Sri Lanka and the Indian subcontinent and, in particular, the nature of Party A's other businesses which appear to involve the importation of Indian foods and ingredients (none of which has been challenged by Party A), I find that

Party A did, on the balance of probabilities, know about the use, by Party B, of its mark in India (Party A also does not challenge the use shown in India in Party B's evidence). In reaching this conclusion, I have also borne in mind that the respective marks, which appear to be invented, are identical, and the respective goods are also identical and include those which are traditionally used in the preparation of Indian dishes. These points of identity are highly unlikely to be down to pure coincidence. It, therefore, seems highly improbable to me that Party A coined his mark (for the exact same goods) without knowledge of Party B's mark (and use of the same) for identical goods in India. I do not, therefore, accept Party A's explanation, given in his counterstatement, that the name was derived from his grandparents' names.'

22. So the Hearing Officer found, in summary (i) that Mr Sivaratnam knew about Maya's business in India and their use of the mark VIDIEM there for the class 7 goods, (ii) that it was highly unlikely that that the mark was adopted by 'pure coincidence', (iii) that Mr Sivaratnam had lied in the Counterstatement about the adoption of the name based on his grandparent's names. Although the Hearing Officer does not say so in terms, the only implication of this is that Mr Sivaratnam had deliberately copied Maya's trade mark and deliberately filed a trade mark application in the UK for that name in respect of precisely the same goods for which Maya had a reputation in India. I will come back to the significance of this conclusion.

23. The Hearing Officer went on to say as follows:

'However, as the case law above makes clear, mere knowledge of use by Party B outside of the UK, in India, is not, of itself, sufficient to establish bad faith; there must be something more in play and that 'something more' must have been present at the relevant date.'

24. She is referring here to a number of cases including Malaysia Dairy Industries Case C-320/12. She goes on to consider the facts of a number of cases in which

a foreign mark of a third party had been applied for and in which the Appointed Person had considered the question of whether this amounted to bad faith. I set out her analysis of these cases below:

'39) In Daawat, for example, Mr Geoffrey Hobbs QC, as the Appointed Person, stated:

> *'107. The domestic perspective of the objection under section 3(6) was correctly recognised in para 17 of the principal hearing officer's decision: "In my view a vague suspicion that a foreign proprietor may wish to extend its trade in the UK is insufficient to found an objection under section 3(6)". (my emphasis)'*

In the Daawat case, the section 3(6) claim succeeded because it was found that the application was motivated by a desire to pre-empt an entry into the UK market in order to secure a commercial advantage in negotiations with the opponent. The trade mark applicant had prior dealings with the opponent and had been aware that the opponent wanted to expand into the UK. Accordingly, on the facts of that case, there was something more than mere knowledge of use outside of the UK to justify the finding of bad faith.

40) In Wright v Dell Enterprises Inc. ('Hogs and Heffers'), BL O/580/16, Professor Annand stated that, given the territorial nature of Intellectual Property rights, the mere appropriation of a name registered/used abroad was not enough under UK law: there must be 'something else' involved before this can justify a finding of bad faith. In that case, Professor Annand upheld the decision of the Hearing Officer that bad faith had not been made out on the facts.

41) In 'Mr Miyagi's', BL O/171/22, Geoffrey Hobbs KC, overturned the decision of the Hearing Officer and found that the applicant had acted in bad faith. In that case, Mr Hobbs found that the applicant not only had knowledge of the opponent's use of its mark outside the UK but, also, on the evidence before him,

found that the applicant had hastened to register its imitation of the opponent's mark when it had become aware that the feasibility of launching the opponent's mark in the UK was being looked in to by the opponent. Therefore, again, in that case, there was something more than mere knowledge of use outside the UK. The applicant knew that the opponent was thinking about entering the UK market and had filed its mark pre-emptively 'with the aim of appropriating it (by imitation) for registration in the name of VL and preventing extension of MMR's business use of its Mr Miyagi's brand to the United Kingdom.'

42) I also note that in Ajit Weekly, BL O/004/06, Professor Ruth Annand found that:

> *'47. The Hearing Officer held that because of his background Dr. Bains (and hence the Registered Proprietor) must have been well acquainted with the Applicant's AJIT logo/trade mark for newspapers. Dr. Bains must have been aware that the Applicant's AJIT logo in relation to newspapers would be widely known amongst the UK's Punjabi Community and that the registration and use of the mark in suit would result in confusion and deception to the detriment of the Applicant. Registration of the mark in suit would also have prevented the Applicant from continuing to sell (directly or indirectly) its newspapers under its mark in the UK. A person in the position of the Registered Proprietor adopting proper standards (although Dr. Bains might himself have thought that this was a natural progression of the Registered Proprietor's North American business) would not have applied for a monopoly, which would present these effects. In my judgment, the Hearing Officer was entitled to conclude in the light of his findings that UK Trade Mark Registration No. 2283796 was applied for in bad faith.'*

The 'something else', beyond mere knowledge of use of the mark in India in Ajit Weekly was, therefore, that:

'[there] was the presence of, albeit, a small number of customers in the UK for the foreign proprietor's newspaper, and the likelihood borne out by later evidence that the UK Punjabi community (customers for the parties' newspapers) would be misled into believing that newspapers under the mark in suit originated from the foreign proprietor.'

43) I have considered whether there are any parallels to be drawn from the circumstances of the instant case and those in the Ajit Weekly case referred to above (which concerned an application for a mark which was well-known in the Punjab). However, firstly, I do not consider that there is any clearly pleaded claim to the effect that Party A intended to benefit from any claimed knowledge that the Indian community in the UK may have had of Party B's use in India. Secondly, and in any event, although Party B has filed evidence to the effect that there were, as per the UK 2011 Census, nearly 1.5 million people of Indian descent living in the UK and the number of Indian Nationals resident in the UK in 2021 was 370,00019, there is no evidence to show that Party B's mark was/is, in fact, known by that particular community in the UK. Therefore, even if the claim had been clearly pleaded, I do not consider it would be appropriate to infer that there is any such knowledge on the part of that community in the UK and still less to infer that Party A intended to benefit from any such knowledge. Furthermore, although the contested goods may traditionally be used in Indian cuisine, they are not limited to that particular use or to the Indian community. This is different to the circumstances in 'Ajit weekly' where there was: i) evidence from the UK Punjabi community in the UK attesting to their knowledge of the foreign proprietor's newspaper, ii) evidence of actual confusion on the part of those UK consumers, iii) evidence that the foreign proprietor had actually sold some of its newspapers in the UK, and iv) the goods in question, newspapers, were clearly exclusively aimed at Punjabi people due to being in the Punjabi language.'

25. Having discussed these authorities, the Hearing Officer concluded as follows on the facts of this case at paragraph 44 of her Decision:

'In my view, the evidence before me does not establish that the aim of Party B, in filing its application, was to commercially frustrate Party A's business by blocking the latter's access to the UK market. Whilst I have found that Party B was aware of Party A's business in India at the relevant date, using an identical mark for identical goods, there is nothing before me to indicate that Party A should have had any reason to believe that Party B had plans to enter the UK market. In the light of that knowledge, and bearing in mind the territorial nature of trade marks, together with the fact that a bad faith claim is a serious allegation, it seems to me that something more would be required to establish bad faith, as per the string of case law identified above. I find that Party B has failed to establish what that 'something more' is in this case. The ground under section 3(6) of the Act fails.'

26. The Hearing Officer had obviously given careful consideration to the important question of the motivation of Mr Sivaratnam, and her account of the relevant authorities is detailed and impressive. However, in my view she placed far too much of a burden on Maya in the unusual circumstances of the present case. Stepping back and looking at the case in the round I consider that there was more than enough here to justify a finding of bad faith.

27. It is obviously wrong to expect a party to Cancellation proceedings to be able to give direct evidence of the motivation of someone who has adopted their mark. All they can reasonably be expected to do in the vast majority of cases is to make inferences from the objective facts and invite the other party to respond to this. If they establish a *prima facie* case consistent with bad faith, then in the absence of a response from the other party the Cancellation should succeed.

28. In the present case, this is precisely what happened. Maya did all they were able to do. They pointed out that they had a strong reputation in India under a unique trade mark for very particular goods (kitchen mixers and the like). They pointed out that Mr Sivaratnam had business and personal links to the Indian subcontinent. They said that the adoption of the identical mark for identical goods was unlikely to be a coincidence and they pointed out that Mr Sivaratnam

had no obvious business interest in kitchen mixers or indeed in manufactured goods at all. They said that they (Maya) were trying to establish a business in the United Kingdom through a distributor and that the only obvious reason they could think of why Mr Sivaratnam would choose to apply at that time for this particular mark for these particular goods was to frustrate their own business activities in the United Kingdom. There was nothing to suggest a genuine intention to establish his own independent business under the name. They supported this with evidence, and therefore threw the ball back into Mr Sivaratnam's court.

29. Mr Sivaratnam entirely failed to justify his conduct. He provided any legitimate reason why (out of the infinite number of available marks) he had chosen this one for these particular goods. The only positive statement he ever made about his motivation for choosing the mark (the 'grandparent's names' claim) was held by the Hearing Officer to be a lie. Not only that, Mr Sivaratnam failed to file any evidence, thus denying Maya the opportunity for cross-examination.

30. As I have said above, the only logical conclusion from the Hearing Officer's findings is that Mr Sivaratnam had deliberately copied Maya's name for the same goods for which they had a strong reputation in India. The necessary next question must be *'why'*? Mr Sivaratnam's only answer to this was the 'grandparents' names' assertion made in the Counterstatement, which the Hearing Officer has held to be a lie. This is not a case where the name (Vidiem) has any meaning which would provide an obvious connection with the goods in question and might therefore provide an independent reason for adopting it. It seems to me therefore that there are only two obvious reasons for coming up with the name and making the application:

    (i) To take advantage of the reputation of Maya within the Indian diaspora who were familiar with their goods (eg from visiting relatives in India) – ie to cause deception.

(ii) To frustrate Maya from expanding their trade into the United Kingdom, no doubt with the idea of gaining some monetary reward from selling or licensing the trade mark to Maya.

Either one of these would in my view amount to bad faith.

31. I am also struck by the remarkable coincidence of timing in this case. Mr Sivaratnam's application was filed after Maya had already done a deal with a UK distributor, and at the very time when the distributor was actively placing orders for Maya's goods for the purpose of selling them in the United Kingdom. Why would Mr Sivartnam choose (in full knowledge of Maya's mark and the goods to which it was applied) to apply for a trade mark at this particular time? It seems at least a strong possibility that he had 'got wind' of the distribution agreement and saw an opportunity to use the trade mark system to gain some advantage.

32. In the circumstances there was a real case for Mr Sivaratnam to answer. In evidential terms, the burden was shifted to him to provide a convincing explanation consistent with good faith. He chose to provide no such explanation, and filed no evidence.

33. In my view this was a clear case where bad faith had been established on the balance of probabilities and the Cancellation application should therefore have been upheld. The Hearing Officer was right to say that *'something more'* (beyond a mere coincidence of name and goods with a foreign mark) was required, but it seems to me that a lot more existed in this case. There was a strong *prima facie* case that the mark had been deliberately copied, and the only logical reasons for doing so were not consistent with good faith. The lie told by Mr Sivaratnam about his reason for adopting the mark and its failure to file any evidence (and therefore potentially subject himself to cross examination) is also consistent with bad faith and inconsistent with good faith.

34. I uphold the appeal against the rejection of Cancellation Application 504655. It follows that I will also allow the appeal against the partial upholding of Opposition 600001947.

35. I declare Trade Mark Registration 3613739 invalid on the basis that it was applied for in bad faith. I direct that Trade Mark Application 3679818 shall proceed to grant for all the goods for which it was applied for in classes 7 and 21.

36. I will award costs against Mr Sivaratnam in both the Cancellation and Opposition proceedings, before the Registry and before me, totalling £1200.

IAIN PURVIS KC

THE APPOINTED PERSON

20 January 2025