

O/1002 /24

TRADE MARKS ACT 1994

IN THE MATTER OF UK REGISTRATION NO. 918202532

IN THE NAME OF STATICA RESEARCH LTD.

IN RESPECT OF THE FOLLOWING TRADE MARK



AND

**AN APPLICATION FOR A DECLARATION OF THE INVALIDITY
THEREOF UNDER NO 506001**

BY

PEPPY HEALTH LIMITED

BACKGROUND AND PLEADINGS

1. Trade mark No. 918202532 shown on the cover page of this decision stands registered in the name of Statica Research Ltd (“the proprietor”). The proprietor applied for registration of the mark as an EU Trade Mark (“EUTM”) on 27 February 2020. It was registered on 2 July 2020 as EUTM No. 18202532. Under the provisions of the Withdrawal Agreement between the UK and the EU, EUTMs that were in existence at IP completion day became comparable UK trade marks and retained the filing and registration dates of the EUTMs. The mark is registered for the following goods and services:

Class 9

Artificial intelligence software; software for interfaces; apps for mobile devices (software).

Class 35

Data management; data processing; data transcription; database management; data entry and data processing; computerized data verification; data collection services; automated data processing; data processing services; compilation of data; data inputting services; compilation of data in computer databases; systematization of data in computer databases; collating of data in computer databases; database management services; business research; administrative services relating to the referral of patients; all the aforementioned services related to the medical field.

Class 42

Data mining; data warehousing; maintaining databases; data migration services; technical data analysis; electronic data storage; computerized data storage; database development services; scientific research; research in the field of social media; medical research; software design; software engineering; software development; software creation; software research; updating of software; development of computer platforms; platform as a Service [PaaS]; hosting of platforms on the Internet; information technology services for the pharmaceutical and healthcare industries; all the aforementioned services related to the medical field.

Class 44

Healthcare information services; healthcare advisory services; healthcare consultancy services; individual medical counseling services provided to patients; all the aforementioned services not in the field of medical, psychotherapeutic and psychological techniques using tapping techniques to regulate stress and emotions, for the well-being and the self-esteem; collation of information in the healthcare sector; providing medical information in the healthcare sector; medical care and analysis services relating to patient treatment.

2. On 14 April 2023, Peppy Health Limited (“the applicant”) filed an application to have this trade mark declared invalid under the provisions of section 5(4)(a) of the Trade Marks Act 1994 (“the Act”) which are relevant in invalidation proceedings under section 47 of the Act. The application concerns all the goods and services for which the contested mark is registered.

3. Under section 5(4)(a), the applicant claims to have used the sign **PEPPY** throughout the UK since April 2018 for the following goods and services: *Computer software and mobile applications; providing business information; software-as-a-service services; healthcare services; education and instruction services.* The applicant claims to have acquired goodwill under the sign, and that use of the contested mark would constitute a misrepresentation to the public that would damage the goodwill in its business. Consequently, use of the contested mark would be contrary to the law of passing off.

4. The proprietor filed a defence and counterstatement denying the claims made. In particular, it denies that the applicant has acquired reputation and/or goodwill under the sign **PEPPY**.

EVIDENCE AND SUBMISSIONS

5. Only the applicant filed evidence. This comes in the form of a witness statement from Dr Mridula Pore, the co-CEO and co-founder for Peppy Health Limited. Her witness statement is dated 2 October 2023 and goes to the claims of goodwill in the earlier sign. The applicant also filed written submissions on the same date.

6. Neither side requested a hearing. The proprietor filed written submissions in lieu on 22 January 2024.

REPRESENTATION

7. In these proceedings, the applicant is represented by Cooley (UK) LLP and the proprietor by Keltie LLP.

PRELIMINARY ISSUE

8. I note that in the applicant's written submissions and the witness statement of Dr Pore, reference is made to a figurative sign consisting of the word "PEPPY" with a logo, as shown below:¹



9. However, the case was only pleaded on the basis of the word sign "PEPPY". As Lord Hoffmann said in *Barclays Bank Plc v Boulter* [1999] 1 WLR 1919 at [1923]: "*The purpose of the pleadings is to define the issues and give the other party fair notice of the case which he has to meet.*" There has been no application to amend the pleadings to rely on another unregistered sign, and so I shall proceed to consider the word sign alone.

DECISION

10. The relevant parts of section 47 of the Act are as follows:

" ...

(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground –

...

¹ See paragraph 29 of Dr Pore's witness statement and paragraph 4 of the applicant's submissions.

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

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

...

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

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

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

...

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(5A) An application for a declaration of invalidity may be filed on the basis of one or more earlier trade marks or other earlier rights provided they all belong to the same proprietor.

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

Provided that this shall not affect transactions past and closed.

11. Section 5(4)(a) of the Act is as follows:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule or law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection 4(A) is met

...”

12. Subsection 4(A) is as follows:

“The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

13. In *Reckitt & Colman Products Limited v Borden Inc. & Ors* [1990] RPC 341, HL, Lord Oliver of Aylmerton described the ‘classical trinity’ that must be proved in order to reach a finding of passing off at [406]:

“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. Secondly, 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 the goods or services offered by him are the goods or services of the plaintiff. Thirdly, 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.”

14. *Halsbury’s Laws of England* Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

“Establishing a likelihood of deception generally requires the presence of two factual elements:

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

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

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which will have regard to:

(a) the nature and extent of the reputation relied upon,

(b) the closeness or otherwise of the respective fields of activity in which the claimant and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the claimant;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged are likely to be deceived and all other surrounding circumstances.

In assessing whether deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

Relevant Date

15. In *Advanced Perimeter Systems v Keycorp Limited (MULTISYS)*, BL O-410-11, at [43], Mr Daniel Alexander QC, sitting as the Appointed Person, quoted with approval the summary made by Mr Allan James, acting for the Registrar in *SWORDERS Trade Mark*, BL O/212/06:

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

16. The proprietor has not claimed that it has used the contested mark before the date of application, and so there is only one relevant date that I need to consider when assessing whether the applicant has protectable goodwill. That is 27 February 2020.

Goodwill

17. The applicant must show that it had goodwill in a business at the relevant date and that the sign relied upon, **PEPPY**, is associated with, or distinctive of, that business.

18. The concept of goodwill was considered by the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at [224]:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantages of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of

attraction sufficient to bring customers home to the source from which it emanates.”

The applicant’s evidence

19. Dr Pore describes the business of the applicant in the following terms:

“8. Peppy is a provider of B2B digital health platform (including a mobile application) that is tailored to provide personalised and expert-led health support to its customers’ employees. Peppy’s global platform specialises in gender-specific healthcare services that support individuals through underserved areas of health – such as menopause, fertility, having a baby, women’s health, and men’s health.”

20. An article on the website of Seedcamp Investment Management LLP highlights its role in providing start-up funding to the applicant. It also explains that:

“The Peppy platform gives parents access to qualified and vetted lactation consultants, baby sleep consultants, physios for mums, paediatric physios, pre and postnatal exercise instructors and mental health practitioners. NCT antenatal courses and curated products like Elvie wifi breast pumps also feature.

...

Employers who sign-up to Peppy commit to provide expectant mums and dads with credit to spend on the platform (typically £500). Employees can then redeem money off the cost of practitioner appointments and products.”²

21. The date that any trade in goods and services began is unclear. The applicant was incorporated on 23 August 2018.³ Prior to this, the website had been set up. Exhibit MP8 contains a screenshot dated 10 May 2018. It is clear from the content that this is a placeholder and that information on the services to be offered would be available later. Dr Pore states that the website was fully operational by November 2018.⁴ Exhibit

² Exhibit MP2, page 3.

³ Exhibit MP1.

⁴ Paragraph 17.

MP9 contains a screenshot dated 14 November 2018 which asks the question “*Why Peppy?*”. It summarises some of the features of the service and provides a link by which a user can refer their employer for the purpose of purchasing the services. Dr Pore also states that the Peppy name has been used since April 2018.⁵ This is the date given for the beginning of work with a graphic design company to refresh the logo and develop a slide deck for use in pitches to prospective customers.⁶

22. Dr Pore states that the applicant’s LinkedIn and Instagram accounts had been set up by April 2019. An email from one of the co-founders dated 7 May 2019 shows links to these accounts.⁷ Examples of posts from either of these apps have not been provided.

23. By the relevant date, the applicant had generated approximately £19,000 in revenue through sales of services to UK companies.⁸ Exhibits MP11 and MP14 contain invoices showing the following services:

| Date | Customer | Services |
|---------------|----------------------|--------------------------------------|
| 12 March 2019 | Penguin Random House | 10 x Parental Support Allowance |
| 14 March 2019 | A+E Networks UK | 7 x Parental Support Allowance |
| 14 March 2019 | Kantar Media | 5 x Parental Support Allowance |
| 14 March 2019 | Osborne Clarke | 5 x Parental Support Allowance |
| 14 March 2019 | Aviva | 17 x Menopause: Initial Consultation |
| 30 March 2019 | Santander UK | 1 x Menopause Chat Pilot |

24. At no point in her witness statement does Dr Pore state that these are sample invoices, although I note the article from the Seedcamp website to which I have already referred says that 15 major employers, including Penguin Random House, the Confederation of British Industry and Osborne Clarke, joined the scheme before its launch.⁹

⁵ Paragraph 14.

⁶ Paragraphs 12-13.

⁷ Exhibit MP10.

⁸ Paragraph 23.

⁹ Exhibit MP2, page 3.

25. By 27 January 2020, the applicant had spent approximately £50,000 on advertising the brand.¹⁰ Some of this sum was spent on developing business card templates and exhibition banners. The applicant was one of the sponsors of the REBA Employee Wellbeing Congress held on 20 June 2019. An invoice dated 9 May 2019 indicates that the applicant spent £3,600 for a package that included online and on-site branding; a profile in the event guide; a pre-event blog article and inclusion in e-mailed event newsletters; a basic stand printed with the applicant's graphics and a table or podium for a laptop or literature; and three attendee places.¹¹ A screenshot from the event website shows the applicant in the list of sponsors.¹²

26. At this point, I note that Dr Pore's evidence extends beyond the relevant date. For example, Exhibit MP3 contains screenshots from the applicant's website. These state that the applicant's services are used by 250 organisations, supporting over one million employees. However, Dr Pore says that this reflects the position at the time of writing the witness statement (i.e. October 2023)¹³ and so I cannot take this evidence into account. Similarly, the applicant's involvement in an NHS trial supporting new and expectant parents during the COVID-19 epidemic took place after the relevant date.¹⁴

Does the evidence show that the applicant had protectable goodwill at the relevant date?

27. I remind myself that the goods and services in respect of which the applicant claims to have acquired goodwill are *Computer software and mobile applications; providing business information; software as a service services; healthcare services; education and instruction services*. On the basis of the evidence before me, it appears that the applicant offered a Parental Support service which enabled employers to provide employees with a sum of money that could be used to access a range of therapeutic or advisory services or goods. The Seedcamp article states that the service was provided through a platform. This is the only evidence to tell me how this service was offered at the relevant date, as the website screenshots showing the Peppy app, blog and website resources are undated and, as Dr Pore indicates, represent the content

¹⁰ Paragraph 24.

¹¹ Exhibit MP17.

¹² Exhibit MP16.

¹³ Paragraph 10.

¹⁴ Paragraph 20; Exhibits MP12 and MP13.

available at the time the witness statement was produced, i.e. over three years after the relevant date. The 2018 slide deck which Dr Pore says was designed to be shared with prospective customers does not say anything about how the service is delivered.

28. The nature of the menopause-related services supplied to Aviva and Santander is not clear.

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

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

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

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

“8. [The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case

to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application."

31. At best, the evidence as a whole shows that the applicant's services consist of the provision of a software-enabled service enabling employers to provide their employees with access to health services for expectant and new parents. I must now consider whether the evidence shows that any goodwill that may have been acquired is sufficient to be protectable under the law of passing off.

32. In *Smart Planet Technologies, Inc. v Rajinda Sharma (Recup Trade Mark)*, BL O/304/20, Mr Thomas Mitcheson QC, sitting as the Appointed Person, reviewed the following authorities about the establishment of goodwill for the purposes of passing-off: *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2015] UKSC 31, paragraph 52, *Reckitt & Colman Product v Borden* [1990] RPC 341, HL and *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd* [1980] R.P.C. 31. After doing so, he concluded that:

"34. ... a successful claimant in a passing off claim needs to demonstrate more than nominal goodwill. It needs to demonstrate significant or substantial goodwill and at the very least sufficient goodwill to be able to conclude that there would be substantial damage on the basis of the misrepresentation relied upon."

33. The total level of sales achieved by the relevant date was approximately £19,000. While I have no evidence of the size of the market for health services for expectant and new parents, it seems to me that this is a fairly low level of sales. There is limited evidence to tell me how the applicant had attracted the business that it had, beyond the sponsorship of a conference in 2019. This could have been provided in the narrative of the witness statement. The applicant could also have given information on usage of its website and the number of referrals made through it. I also recall that,

although it is stated that LinkedIn and Instagram accounts had been set up, there are no examples of posts from before the relevant date.

34. It is relevant that the period available for the acquisition of goodwill is relatively short. The precise date of the launch of the services is unclear, but even if I take it to be April 2018, which is when Dr Pore states that the use of the name began,¹⁵ that is a period of only 22 months. Where the period of time is relatively short and sales figures are fairly low, evidence of promotion and advertising becomes even more important. In the instant case, the evidence of marketing is very limited. In my view, the evidence does not show that the applicant had by the relevant date acquired any more than nominal goodwill. Even if the goodwill was more than nominal, I do not consider that the contested mark and the sign are sufficiently similar for there to be misrepresentation, bearing in mind the targeting of the applicant's services towards businesses who would be paying a higher-than-average degree of attention when purchasing them. The section 5(4)(a) claim therefore falls at the first hurdle.

OUTCOME

35. The application for a declaration of invalidity has failed and Trade Mark No. 918202532 will, subject to a successful appeal, remain registered.

COSTS

36. The proprietor has been successful in these proceedings and is entitled to a contribution towards its costs in line with the scale set out in Tribunal Practice Notice No. 1/2023. I have calculated the award as follows:

£300 for preparing a statement and considering the other side's statement;

£600 for considering the other side's evidence;

£350 for preparing written submissions in lieu of a hearing.

£1250 in total.

37. Although the proprietor has filed no evidence, I have allowed a contribution to the costs incurred in considering the applicant's evidence and awarded a sum at the

¹⁵ Paragraph 14.

bottom of the scale for preparing the written submissions in lieu, in which the proprietor comments on the applicant's evidence.

38. I therefore order Peppy Health Limited to pay Statica Research Ltd the sum of £1250. This sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 21st day of October 2024

**Clare Boucher
For the Registrar,
Comptroller-General**