

World Trademark Review Daily

**Claimant shows breach of contract through actions amounting to passing off
United Kingdom - McDermott Will & Emery UK LLP**

Passing off

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In *Future Publishing Ltd v The Edge Interactive Media Inc* ([2011] EWHC 1489 (Ch)), the claimant has succeeded in showing breach of a co-existence agreement through actions which amounted to passing off. It also succeeded in invalidating the defendants' marks.

The proceedings were brought by [Future Publishing Limited](#) against Edge Interactive Media Inc, [Edge Games Inc](#) and Dr Timothy Langdell. At the outset of the judgment, Edge Interactive and Edge Games were found to be controlled exclusively by Langdell, and anything that Edge Interactive and Edge Games had done had been procured solely through his intervention.

In 1993 Langdell issued proceedings against Future Publishing for passing off, alleging that he had unregistered rights in the mark EDGE. In 1994 Langdell applied to register the EDGE mark in Class 16 of the [Nice Classification](#) (printed matter), including gaming magazines. That litigation was settled in 1996, by which time Future Publishing had also applied to register EDGE as a trademark in Class 16.

Under the 1996 settlement agreement, Langdell kept his registered mark and was given Future Publishing's trademark application in return for a royalty-free licence for Future Publishing. Future Publishing paid Langdell £20,000. All rights and goodwill arising out of the mark were to vest in Edge Interactive, which was prohibited from publishing or licensing anyone else to publish a magazine substantially similar to *EDGE* magazine under the name Edge. Edge Interactive was also prohibited from claiming any association or connection with *EDGE* magazine or with Future Publishing.

In 2004 the parties entered into a concurrent trading agreement and a deed whereby the trademarks (registered and unregistered) which included the word 'edge' and which covered magazines and printed matter in the field of computer games were assigned to Future Publishing, together with the goodwill. The agreements also stated that Langdell would not use any of the trademarks "in a way which is or could reasonably be confusing with Future [Publishing]'s use of the same...".

The judge first examined Future Publishing's breach of contract claim. It was common ground that Langdell had used three versions of an EDGE logo. One of the versions was indistinguishable from the logo used by Future Publishing and had been used on Edge Interactive's letterhead in 2008 and 2009 and on its website from about 2003/2004 to June 2009. Langdell admitted in cross-examination that he had adopted the EDGE logo on his website in order to create a connection in the mind of the public with Future Publishing. He said that he believed that he had the right to do so, on the basis of his assertion that it was he who had, in fact, devised the logo, an assertion that the judge rejected on the evidence.

The judge instead accepted Future Publishing's submission that all uses of the EDGE mark complained of were confusing or could reasonably be confused with Future Publishing's EDGE logo. This was a straight breach of the 2004 agreements.

The judge also accepted Future Publishing's submission that various statements made by Langdell, combined with his use of the EDGE logo, were designed to confuse. The judge stated that there was ample evidence to justify the finding that the statements described a relationship between Edge Interactive and Future Publishing which did not exist, which comprised a confusing use of the EDGE mark, and which was a breach of the 2004 agreements.

The breaches were found to be fundamental breaches according to the test expounded by Lord Justice Buckley in *Decro-Wall v Practitioners in Marketing* ([1971] 1 WLR 361).

With regard to passing off, the judge found that Langdell had tried to appropriate for his own business the goodwill associated with *EDGE* magazine through statements leading the public to believe that Edge Interactive was responsible for *EDGE* magazine or that Edge Interactive's games were in some way approved or authorised by Future Publishing. It followed "that all pleaded breaches of the [agreements] committed within the jurisdiction of the court also comprise acts of passing off as representations likely to lead to confusion".

With regard to copyright infringement, the judge accepted that, on the evidence, it was Future Publishing's creative director, Mr Williams, who had created the EDGE logo, not Langdell. Further, she said, the logo had artistic originality. Therefore, use by Langdell of all three versions of the EDGE logo were copies infringing Future Publishing's copyright. Because Langdell had threatened to continue using the logo, an

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injunction restraining him from further use was justified and appropriate.

The judge then turned to the claim of invalidity for non-use. Langdell's only evidence of use came from assertions in witness statements. There was no evidence of advertising or promotion of sales in the United Kingdom. The only evidence of anybody purchasing his games in the United Kingdom came via a 'trap' purchase undertaken by Future Publishing for the purposes of the proceedings. When Future Publishing had tried to buy the games, they had not been delivered by Edge Interactive. Langdell's marks, accordingly, were found to be invalid.

This should have been a straightforward case of breach of contract, copyright infringement and passing off, but the case was complicated by evidence that was found by the judge to have been concocted, and also by allegations of forgery. Expert evidence was required to prove (or moreover disprove) the genuineness of information on disks said to date from 1991, and new evidence and allegations of forgery arose during closing submissions that required the judge to consider whether to hear further evidence. While this makes interesting reading, importantly the judge appears to have found a sensible and proportionate way to deal with such matters in order to bring the proceedings to a close.

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