TRADE MARKS ACT 1994 IN THE MATTER OF APPLICATION NO 2022287 BY MARKETING BRIDGE (EUROPE) LTD TO REGISTER A MARK IN CLASS 28

AND IN THE MATTER OF OPPOSITION THERETO BY ON THE BALL INC

TRADE MARK: WACKERS

IN THE MATTER OF APPLICATION No 2022287 by MARKETING BRIDGE (EUROPE) LTD to register a trade mark in class 28

AND IN THE MATTER OF OPPOSITION THERETO under number 45429 by ON THE BALL INC.

BACKGROUND

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On 26 May 1995, Marketing Bridge (Europe) Ltd of Smallmead House, Smallmead, Horley, Surrey, RH6 9AF applied under the Trade Marks Act 1994 for registration of the trade mark **WACKERS** in respect of "Toys, games and playthings; but not including electronic games" in Class 28.

- Following publication of the application, opposition to the registration was filed by On the Ball Inc. on 19 September 1996. In summary the grounds of opposition are:
 - i) That the opponents have been using the mark WACKERS since 1993 in the USA, and "have shipped goods under the WACKERS trade mark around the world".
 - ii) That the opponents exhibited their goods under the WACKERS trade mark in the USA and elsewhere, and the idea for the use by the applicants of the mark WACKERS on the goods concerned arose when a director of the applicants visited the USA and saw the Opponents' goods.
 - iii) That the applicants intend to use the mark WACKERS on goods identical with those on which the opponents use the mark and so the application for registration in relation to the mark WACKERS should be refused as it offends Section 3(6) of the Trade Marks Act 1994.
 - iv) that the application for registration in relation to the mark WACKERS should be refused as it offends Section 5(4) of the Trade Marks Act 1994.
- The opponents further requested that the Registrar refuse application No2022287 in the exercise of his discretion. However under the Trade Marks Act 1994 the Registrar does not have a discretion to refuse an application as he did under the old law. An application can only be refused if it fails to comply with the requirements of the Act and Rules in one or more respects.
- The applicants subsequently filed a counterstatement denying all of the grounds of opposition.

 Both sides ask for an award of costs, neither party wished to be heard in the matter. My decision will therefore be based on the pleadings and the evidence filed by both parties.

OPPONENTS' EVIDENCE

The opponents' evidence takes the form of two statutory declarations. The first, dated 20 June 1997, is by John Simpson, the President of On the Ball Inc. In his declaration Mr Simpson claims that:

- 1) His company has used the trade mark WACKERS extensively in the USA since 1993 in relation to goods used in a game known as "pogs".
- 2) Goods bearing the trade mark WACKERS were sold in 1994 and 1995 in the USA by such large companies as Kmart, Walmart, 7-11, Fred Meyer, Long's Drugstores, Savon and Walgreen.
 - 3) The goods were exhibited during 1993 -95 at, amongst others, the Los Angeles Gift Show, the New York International Toy Fair, the New York International Licensing Show and the VSD Show of Las Vegas.
 - 4) It would have been easy for a person to have seen the popularity of the goods sold under the trade mark WACKERS and to have copied the idea and the trade mark.
- 5) Samples of the goods (bearing the WACKERS mark) were supplied to a UK company on 24 April 1995, and negotiations with Comag Magazine Marketing were ongoing in April 1995 concerning distribution of WACKERS goods in the UK.

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- 6) The goods (marked WACKERS) were market tested in the UK during May 1995.
- 7) Following the New York International Licensing Show held on 20-22 June 1995 goods bearing the WACKERS mark were shipped to Image USA, a UK company based in Worcester.
 - 8) On 11 May 1995 a trade mark application for WACKERS was filed in the USA. In addition the opponents have also filed applications in Germany, Japan, Spain, Switzerland, Hong Kong, Malaysia, Benelux and now the United Kingdom. No filing dates were provided for these additional applications.

Attached to Mr Simpson's declaration are a number of invoices and shipment notes. The contents have been summarised and listed chronologically:

6 Jan 1995	Shipping note to unidentified company in London. Value of goods stated to be \$133. No visible evidence of use of mark WACKERS.
13 March 1995	Shipping note to Sega of Europe, London. Value of goods stated to be \$11. Goods described as "Toys / samples / WACKERS".
24 April 1995	Shipping note to Comag Magazine Marketing. Value of goods stated to be \$567. Goods described as "Toys / samples". No visible evidence of use of mark WACKERS.
24 April 1995	Invoice to Comag Magazine Marketing. Value of goods invoiced \$459. WACKERS mark shown on invoice. "Samples" written on invoice.
3 May 1995	Invoice to Comag Magazine Marketing. Value of goods invoiced \$1,113. WACKERS mark shown on invoice.
13 June 1995	Invoice to Comag Magazine Marketing. Value of goods invoiced \$92. WACKERS mark on top of invoice. "Samples - not for re-sale" written on invoice.

There are a number of other shipping notes and invoices from 28 June 1995 onwards. However, these are all after 26 May 1995, which is the date the application was filed by the applicants, Marketing Bridge (Europe) Ltd. Evidence relating to events after the filing date cannot be regarded as relevant. My reasoning for this is the wording of Article 4 (4)(b) of EC Directive 104/89 which provides the basis for Section 5(4)(a) of the Act. It states:

- 4. Any Member State may furthermore provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where, and to the extent that:
- (b) rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed for the application for registration of the subsequent trade mark and that non-registered trade mark or other sign confers on its proprietor the right to prohibit the use of a subsequent trade mark.

The opponents have also filed a statutory declaration dated 30 June 1997 from , who is an investigator employed by CDR International Ltd of 18 Exeter St, Covent Garden, London.

states that she was instructed by the opponents' agents, Saunders & Dollymore, to investigate the use of the trade mark WACKERS by the applicants. In particular when they first used the mark, how they came to adopt it and whether they are likely to use it again.

says that, in April 1996 she contacted the applicants and spoke to Clare Pearce, a marketing assistant. During their conversation claims that Ms Pearce stated that the director of the applicants, Mr Eric Mackay, visits many conferences and exhibitions around the world to obtain ideas for childrens' crazes, and that he had seen the idea for WACKERS at an exhibition in the USA. also claims that she was told by Ms Pearce that the WACKERS product was developed in October 1995, but had not been put on the market due to a client's decision, although other possibilities for the trade mark WACKERS were being considered.

claims that it is clear from this conversation that the applicants have not launched the product and trade mark, WACKERS.

APPLICANTS' EVIDENCE

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This consists of two statutory declarations. The first is by Mr Eric Mackay, a director of Marketing Bridge (Europe) Ltd, a position he has held for three years.

Mr Mackay states that before forming his own company he was employed for sixteen years by Allied Domecq, who he claims, own the brand name "Wacky Warehouse" used for childrens' play areas in public houses. He states that this idea and name were formulated for Allied Domecq by Ansells Brewery. When Mr Mackay formed his own company, Ansells Brewery became one of his clients. Mr Mackay's company undertook research into the "Wacky Warehouse" concept and came up with proposed developments, particularly the need for toys and games for use in this area using a brand name.

Mr Mackay states that at the Toy & Hobby Fair at Olympia, London in February 1995 he met the

UK representative of Big Joe Slammers, an American company. The representative, Mr King, is said to have introduced Mr Mackay to a game known as "pogs", which it is claimed was very popular in the USA although relatively unknown in the UK at that time. Exhibit EM1 shows price lists and details of Big Joe Slammers' products, none of which are dated.

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Mr Mackay states that in the light of what Mr King had told him, he decided to make the game the main item in his proposal to Allied Domecq. He claims that it was important for the game to fit into the format of the "Wacky Warehouse" using the cartoon characters already devised and used in literature and promotions for the "Wacky Warehouse". Mr Mackay states that "Wacky" was deemed unsuitable and so WACKERS was chosen as it was in keeping with the "Wacky Warehouse" brand and was also apt given that the game consisted of one disc hitting another.

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Mr Mackay claims that, on 3 April 1995, he commissioned a company, Wilson Gunn M'Caw, to carry out a search of the Trade Marks database to ascertain if there were any existing conflicting trade marks. According to Mr Mackay the result showed no registrations likely to prevent his company using and registering WACKERS as a trade mark.

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Further, he claims that a proposed strategy of play activities and developments for "Wacky Warehouse" play areas was put to Ansells Ltd on 17 March 1995. Correspondence between Ansells and the applicants is filed at Exhibit EM3, and comprises of letters between the parties during the period 21 March 1995 - 3 May 1995. The name WACKERS features prominently in these letters.

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Mr Mackay states that he is already searching for new ideas for the mark WACKERS as he recognises that the game of "pogs" has a limited lifetime.

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Finally, Mr Mackay refers to the telephone conversation between and Clare Pearce. A copy of what appears to be a contemporaneous note of the conversation is produced at exhibit EM7. This supports some of assertions in that it is clear that she was told that the mark WACKERS had not been put into use. It does not support the other claim regarding where the name originated from or when it was first thought of, indeed no mention is made of either in the record of the conversation. Mr Mackay asserts that such a statement would not have been made because he claims that no-one from his company had visited a trade fair in the USA prior to February 1996, and that the mark was being used in proposals to Ansells Brewery in February / March 1995.

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The other statutory declaration is from Mr Bruce Marsh a trade mark agent employed by Wilson Gunn M'Caw. In his declaration Mr Marsh points out that the opponents' mark is not registered in the UK. He further claims that the usage claimed by the opponents relates to items not available to the general public and of minimal monetary value. He therefore asserts that the opponents' mark can only be entitled to protection if it is a well-known mark according to the Paris Convention.

This completes my review of the evidence. I now turn to the decision.

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DECISION

Firstly, I consider the ground of opposition under Section 3(6) which is as follows:

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

The opponents' claim that:

- 5 1) They have been using the mark WACKERS since 1993.
 - 2) They have shown their goods with the WACKERS trade mark at several trade fairs in the USA.
 - 3) They have sold their product under the WACKERS trade mark in a number of other (unspecified) countries
- 4) As the applicants are seeking to register the same mark for exactly the same goods, they believe that the applicants' must have seen their product at a trade fair in the USA.
 - 5) The opponents' investigator claims to have been told that the idea came from a director of the applicants' company having seen a promotion at a trade fair in the USA.
- 15 Item's 1 3, whilst not supported by evidence, are not disputed by the applicants. The opponents have not filed any independent evidence which supports the assertion at '4' above. They have not shown that anyone from the company visited their stand at any of the trade fairs in the USA, whilst the applicants not only deny that anyone from the company visited the USA before February 1996, but have also given an explanation as to how they came by the name WACKERS in early 1995. There is no evidence that the opponents' mark was promoted in Trade Journals circulating in the UK.

With regard to point 5 the applicants' deny making such a statement and have provided a note of the telephone conversation which differs from the version supplied by the investigator acting for the opponents. The applicants' note appears to have been recorded at the time of the conversation, whereas declaration was made some fourteen months later.

evidence is the only real evidence which supports the opponents' case under Section 3(6), and it is based upon (first hand) hearsay. By contrast, Mr Mackay gives direct evidence that neither he nor anyone else from the applicants' company visited the USA before February 1996. Mr Mackay also offers an alternative and plausible explanation of how the applicants came to select the mark WACKERS. In these circumstances I am inclined to accept Mr Mackay's evidence. The opposition under Section 3(6) fails.

Next, I consider the grounds of opposition under Section 5(4), which in so far as it is relevant to the pleadings is as follows:

- 5 (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -
- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b).....

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

In order to succeed in a passing off action the opponents must prove that they had goodwill in the UK at the relevant date. In "Turnmix" (Oertli v. Bowman) (1957 RPC 388) [Kerly's 16.10] Jenkins L.J. held that:

"It is, of course, essential to the success of any claim in respect of passing off based on the use of a given mark or get-up that the plaintiff should be able to show that the disputed mark or get-up has become by user in this country distinctive of the plaintiff's goods so that the use in relation to any goods of the kind dealt in by the plaintiff or that mark or get-up will be understood by the trade and the public in this country as meaning that the goods are the plaintiff's goods. The gist of the action is that the plaintiff, by using and making known the mark or get-up in relation to his goods, and thus causing it to be associated or identified with those goods, has acquired a quasi-proprietary right to the exclusive use of the mark or get-up in relation to goods of that kind, which right is invaded by any person who, by using the same or some deceptively similar mark or get-up in relation to goods not of the plaintiff's manufacture, induces customers to buy from him goods not of the plaintiff's manufacture as goods of the plaintiff's manufacture, thereby diverting to himself orders intended for and rightfully belonging to the plaintiff."

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The opponents' have made a number of claims regarding their use of the mark WACKERS. For instance they claim to have used the mark extensively in the USA since 1993. They also claim to have "shipped goods.....around the world". As far as the UK market is concerned the opponents' claim that they sent samples to companies during the first half of 1995 and were in negotiations with a company regarding distribution rights in April 1995. They further claim to have carried out a market test in May 1995. However, the evidence filed only shows goods being sent to two companies in the UK, Sega of Europe and Comag Magazine Marketing. Sega received \$11 worth of samples whilst Comag were sent \$1,664 worth of samples. There is no evidence of what was done with these samples, and no evidence of the test marketing said to have been carried out. A total of \$1,675 worth of samples sent to two distributors in an industry as large as the toy sector must be regarded as de minimis. The opponents' cannot be said to have had any significant goodwill or reputation in the UK prior to the relevant date, 26 May 1995.

Accordingly, the opponents' case falls at the first hurdle with the result that the opposition under Section 5(4) also fails.

The opposition having been unsuccessful the applicant is entitled to a contribution towards his costs. I order the opponent to pay the applicant the sum of £435.

Dated this 27th day of November 1998.

40 George W Salthouse For the Registrar The Comptroller General